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If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

Supreme Council
of the Republic of Latvia
Law

On Land Privatisation in Rural Areas

Chapter I General Provisions

Section 1. Tasks of Land Privatisation

The main tasks of land privatisation are as follows:

- 1) to create the basis and guarantees for agricultural development;
- 2) to restore the land ownership rights to the former owners of land, which belonged to them on 21 July 1940 or to the heirs thereof;
- 3) to transfer land into ownership with remuneration to the citizens of the Republic of Latvia; and
- 4) [5 December 1996]
[8 December 1994; 5 December 1996]

Section 2. Basic Principles of Land Privatisation

Land privatisation in rural areas shall be carried out, observing the following basic principles:

- 1) land privatisation shall take place, observing the Law On Land Reform in Rural Areas of the Republic of Latvia (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1990, No. 49);
- 2) land ownership rights shall be renewed to the former owners of land, which belonged to them on 21 July 1940 or to the heirs thereof;

- 3) upon privatisation of land, the lawful interests of the present owners of buildings and structures, users of land, as well as of the State and local governments shall be observed;
 - 4) forests, perennial plants growing on it and surface waters, except the public waters, shall be privatised together with land;
 - 5) land shall be transferred into ownership to the citizens of the Republic of Latvia and to legal persons registered in Latvia; and
 - 6) land privatisation shall take place on the basis of a request of the citizens of the Republic of Latvia or legal persons registered in Latvia, on a voluntary basis.
- [8 December 1994]

Section 3. Land to be Privatised

Land, which on 21 July 1940 was in the ownership of natural persons, the State, local governments and in the ownership of other legal persons, shall be subject to privatisation in rural areas if such land until 1 November 1996 has been allocated for permanent use to a natural person, has been reserved on the basis of a term request or has been allocated for permanent use as land of an equivalent value in the place of the former land property.

The transfer of land occupied by protected nature objects into ownership shall be regulated by legislative enactments.

The ownership rights to the territories of mineral resource deposits and mine deposits of the former owners of land or the heirs thereof after the request thereof shall be restored, determining that use of subterranean depths shall be regulated by a separate law.

[16 December 1993, 8 December 1994; 5 October 1995; 5 December 1996]

Section 4. Types of Land Privatisation

Types of land privatisation are as follows:

- 1) the restoration of land ownership rights to the former owners of land or to the heirs thereof; and
- 2) the transfer of land ownership rights in return for payment to the citizens of the Republic of Latvia.

The ownership rights to land shall be restored to the former owners of land or to the heirs thereof by returning in actual fact the former land property thereof or a part thereof or by transferring into ownership land of an equivalent value within the borders of the relevant parish or district or in other parishes of the Republic with the decision of a parish land commission from the non-requested land or the State or local government land.

The former owners of land or the heirs thereof have the right to receive a compensation for the former land property or a part thereof according to the procedures specified in Chapter III of this Law.

[8 December 1994; 5 December 1996]

Chapter II Restoration of Land Ownership Rights

Section 5. Persons to whom Land Ownership Rights are to be Restored

Land ownership rights shall be restored on the basis of a personal request to the former owners of land in the ownership of whom the land in the Republic of Latvia was on 21

July 1940 or to the heirs thereof in accordance with the Civil Law of the Republic of Latvia of 1937.

In cases when ownership rights have not been restored to the persons referred to in this Section due to the restrictions provided for in this Law, the referred to rights shall be restored as soon as the aforementioned obstacles for restoration of ownership rights have ceased to exist, unless compensation or land of an equivalent value in another place has been received.

If land ownership rights according to the situation on 21 July 1940 are not confirmed by statements of the State archives, court adjudications or other documents confirming land ownership rights, also by deeds of Land Registers drawn up until 21 July 1940 or notarially certified contracts regarding the purchase of land, a court shall recognise the ownership rights on the basis of a contract entered into regarding alienation of land, a lease repurchase or a redemption contract if legality of such transactions has been determined and if in the case of redemption of land the purchase payment has been partially or completely settled.

For persons who up to 21 July 1940 commenced the repurchase (bought back) of immovable property left in Latvia by German emigrants from the “Vispārējās Lauksaimniecības banka” [General Agricultural Bank] or the “Valsts zemes banka” [State Land Bank], as well as the heirs of such persons, documents confirming land ownership rights may be deemed to be a statement from the State archives in which the redeemers of the immovable property (purchasers), data regarding the immovable property and the money amounts paid into the bank are indicated.

The former owners of land and the heirs thereof shall be exempted from the State fee, if the ownership rights thereof have been recognised with a court adjudication.

[8 December 1994; 5 October 1995; 5 December 1996; 14 June 2007]

Section 6. Transfer of Land into the Ownership of the Former Owners or the Heirs thereof

The ownership rights to land to the former owners of land or the heirs thereof shall be renewed if the request of land has been submitted until 20 June 1991, except the cases when in the first round of land reform such land has been allocated for permanent use to other natural persons for the maintenance of farms, household farms, individual orchards, residential houses and summer cottages, for the completion of the construction objects commenced until 21 November 1990, for the maintenance of buildings belonging to the State and local governments, structures and sharing objects of a non-producing character.

If in the first round of land reform the land has been transferred to another natural person, who is not a citizen of the Republic of Latvia, the land shall remain in the property of the State but the right of use of land shall be retained to the natural person in the exceptional cases referred to in Paragraph one of this Section.

To the former owners of land or the heirs thereof, who have submitted the land request after 20 June 1991, the former land thereof shall be returned in the ownership, except the cases when such land until the moment of the submission of the request has been allocated for permanent use to another natural person, as well as for the maintenance of buildings, structures and sharing objects of a non-producing character belonging to the State and local governments. The ownership rights of the former owners of land or the heirs thereof to land that has been allocated for use to the legal persons for other needs shall be renewed but they shall receive such land for use not later than within a time period of five years, politically repressed persons – not later than within a time period of one year after the submission of the land request.

The rights to lease land in the territories approved by the Ministry of Agriculture until the repurchase of such lands and corroboration of ownership rights in the Land Registers in the name of the State on behalf of the Ministry of Agriculture shall be guaranteed to the State selection farms, State experimental farms, State scientific research farms and agricultural educational institution farms. The land shall be redeemed until 1 July 1998. Such farms have the obligation to pay the lease payment for the current year to the owners of land – up to 5% from the cadastral value of the land – until the repurchase of the land.

If buildings and structures belonging to legal persons, as well as buildings and structures of natural persons, which have been acquired according to the procedures specified in the Law On Privatisation of Agricultural Undertakings and Collective Fisheries, are located on the land requested by the former owners of the land or the heirs thereof, the rights to lease the land, which is occupied by the buildings, structures and courtyard, and land of an area up to 0.5 hectares for the maintenance of such buildings and structures, shall be guaranteed to such legal and natural persons. The borders and area of the aforementioned land shall be determined by the relevant local government land commission.

If legal or natural persons have acquired buildings and structures according to the procedures specified in the Law On Privatisation of Agricultural Undertakings and Collective Fisheries, the lease payment thereof for the land that is occupied by the buildings, structures and courtyard and the land necessary for the maintenance of such buildings and structures of the area up to 0.5 hectares may not exceed 5% from the cadastral value of the land.

Together with the transfer of land in ownership to the former owners of land or the heirs thereof without remuneration, the elements of the amelioration system of local significance and other structures shall be transferred into ownership.

If the land or a part thereof may not be returned in actual fact to the former owners of land or the heirs thereof, they have the right to receive in ownership land of an equivalent value in another place or a compensation.

If the former owner of land has not received land for use in accordance with the Law On Land Reform in Rural Areas of the Republic of Latvia but he or she has agreed with one of the relatives thereof (the possible heir) that such relative shall put into effect the land utilisation rights then the aforementioned relative, on the basis of the agreement entered into in any manner, shall acquire also the rights to the restoration of land ownership rights in place of the former owner. The former owner of land may personally submit his or her written consent to the relevant parish council (county, city council) or may send a notification thereto, on which the authenticity of the signature thereof shall be notarially certified. If the former owner of land has requested compensation, the land may be transferred into ownership to the present user only in return for payment. The aforementioned procedures shall relate also to occasions when in the process of land reform the heir of the owner, who has requested or has received land for use, refuses it in favour of one of the relatives thereof (the possible heir).

If a descending heir of the nearer degree of kinship of the owner of land (a son, daughter) has not submitted a request for restoration of land ownership rights or a request for the receipt of compensation within the specified time period, the land property shall be transferred to any other heir if such land has been allocated for use to him or her or has been requested according to the procedures specified in this Law.

If both the user of land and other descending heirs of the nearer degree of kinship of the former owner have applied to the land to be inherited, then all shall have equal rights to the inheritance and the user of land shall acquire free of charge only his or her part of land to be inherited.

The inheritance fee need not be paid in all cases of restoration of the land ownership rights.

[16 December 1993, 8 December 1994, 5 October 1995, 5 December 1996, 18 October 2001]

Section 7. Rights of Land Use for Legal Persons

Legal persons, to whom land has been allocated for use in accordance with the Law On Land Reform in Rural Areas of the Republic of Latvia, shall retain land use rights up to five years in conformity with the objective for which such land was allocated for use, if ownership rights to this land have been restored to the former owners or the heirs thereof in accordance with Section 6 of this Law. Legal persons shall retain land use rights in the cases of the request for restoration of land ownership rights of politically repressed persons up to one year after the submission of the request for restoration of land ownership rights of politically repressed persons, except for the land allocated to lease up to 0.5 hectares for each individual subsidiary farm.

The obligation of a legal person is to pay the lease payment to the owner of land, the maximum amount of which and the procedures for the payment shall be determined by the Cabinet, except for the cases referred to in Section 6, Paragraphs four and six as well as Section 9, Paragraph two of this Law.

Legal persons may use the land also in the case if the owner of land has engaged in entrepreneurship, by investing the land use rights.

[16 December 1993, 8 December 1994; 5 October 1995; 5 December 1996]

Section 8. Documents Confirming Land Ownership Rights

Ownership rights to land shall be confirmed by the statement from the State archive, by an extract from the last record in the Land Register or by another document confirming land ownership rights or by the judgment of a court.

Land ownership rights may be restored to the heirs if they submit documents confirming kinship. Documents confirming the death of the owner of land shall not be required if the owner of land has not submitted a request for the restoration of land ownership rights.

[5 December 1996]

Section 9. Restoration of Land Ownership Rights in the Cases of Land Term Request

If land has not been allocated to the former owners of land or the heirs thereof according to the procedures specified in this Law but only reserved, the land ownership rights thereof shall be restored, retaining land use rights to the users of the land, but not longer than for the time period of the term request. The users of land shall pay the lease payment to the owner of land in accordance with Section 7 of this Law.

If the former owners or the heirs thereof wish to receive the land reserved for them for use prior to the term requested, the land use (lease) rights of the land users (lessees) referred to in Paragraph one of this Section shall remain until the moment of termination of the time period for land use (lease). If land has been leased to individual subsidiary farms, the land lease contract may be prolonged until the expiry date of the land term request. The provisions of Section 7, Paragraph one of this Law shall be applied in such cases when politically repressed persons have requested to restore land ownership rights. The lease payment for the land leased for individual subsidiary farms shall not exceed 5% from the cadastral value of land.

[16 December 1993, 5 December 1996]

Section 10. Right of Pre-emption to Land, Buildings, Structures and an Orchard (Trees)

The former owners of land or the heirs thereof (unless they have received a plot of land of an equivalent value instead of their land or a compensation), as well as persons registered in a separate register of unsatisfied requests for land, have the right of pre-emption to acquire in their ownership buildings, structures and an orchard (trees), which are located on such land. Owners of buildings, structures and an orchard (trees) have the same right of pre-emption if a plot of land is being sold. If the referred to persons have not been able to use the right of pre-emption due to the fault of the vendor, they have the right of repurchase.

If the owner of buildings, structures and an orchard (trees) does not use the right of pre-emption, the local government has such right.

[5 December 1996]

Section 11. Total Area of Land to which Land Ownership Rights may be Restored

The land ownership rights may be restored by returning the land in actual fact that has been in the ownership or land allocated in the place thereof, the maximum total area of which is not limited.

[8 December 1994, 5 October 1995]

Chapter III Payment of Compensation to the Former Owners of Land or to the Heirs thereof

Section 12. Rights for the Receipt of Compensation

The former owners of land or the heirs thereof have the right to receive a compensation for the land that has been in the ownership or a part thereof if they wish it and unless they have received land on site or land of an equivalent value in another place.

The rights to delete the land ownership compensation certificates, receiving a payment – LVL 28 for a certificate, according to the procedures determined by the Cabinet have:

1) the former owners of land, who until 31 December 1992 have requested a compensation or land and have not been able to receive such land due to the restrictions specified in the Law;

2) the heirs of the first class of the former owners of land, who until 20 June 1991 have requested land and have not been able to receive it due to the restrictions specified in the Law (have been entered into the register of unsatisfied requesters for land); and

3) the surviving spouses of the politically repressed and the heirs of the first class of politically repressed of the former owners of land if they have requested a compensation or land until 31 December 1992 and have not been able to receive such land due to the restrictions specified in the Law.

[16 December 1993, 5 October 1995, 5 December 1996, 3 April 2003]

Section 13. Examination of the Request for Compensation

The land commission shall examine the request for compensation of the former owner of land or the heirs thereof and documents confirming the right of inheritance, as well as the compensation calculated by the State Land Service, shall take a decision regarding the

granting of compensation and the amount thereof and shall notify the requester of compensation thereof.

If the requester of compensation is not satisfied with such decision, he or she may appeal it to the parish council (county, city council), but the decision of the parish council – to a court.

[5 October 1995, 18 October 2001]

Section 14. Amount of Compensation and Procedures for the Payment

The amount of compensation shall be determined on the basis of the total area of land and the evaluation thereof at the moment of nationalisation. The compensation shall be calculated in units of rye by equating one land evaluation mark (point) to the value of 70 kilograms of rye in conformity with the price of rye determined by the Cabinet at the moment of the receipt of compensation.

If the former owner of land or the heir thereof submits particular materials regarding the division of his or her land in types of the use of land and the cadastral evaluation, the amount of compensation shall be calculated on the basis of the submitted materials.

The compensation shall be paid in money or securities within the period of time and in the amount specified by the Cabinet.

[16 December 1993; 8 December 1994]

Chapter IV

Transfer of Land into Ownership in Return for Payment

Section 15. Citizens to whom Land may be Transferred into Ownership in Return for Payment

Land may be transferred into ownership in return for payment to the citizens of the Republic of Latvia to whom it has been allocated for permanent use if they fulfil the obligations of land users specified in the Law and land ownership rights to such land of the former owners of land or the heirs thereof are not restored in accordance with Section 6 of this Law.

Section 16. Maximum Amount of the Area of Land to be Transferred into Ownership in Return for Payment

The total area of land transferred into ownership shall not exceed 150 hectares, but forest area – 50 hectares.

The matter regarding the transfer of a greater area of land or forest into ownership shall be decided by the Central Land Commission of the Republic of Latvia, on the basis of the recommendation of the relevant parish land commission.

[5 December 1996]

Section 17. Transfer into Ownership of Local Level Amelioration Systems and Other Structures Related to Land

The Cabinet, according to the procedures specified, shall transfer into ownership of the citizens without remuneration the elements of the local level amelioration system and other structures together with the transfer of land into ownership in return for payment.

[16 December 1993]

Section 18. Amount of Payment for the Land Transferred into Ownership

The amount of payment for the land transferred into ownership shall be determined on the basis of the total area of land, the area of the types of use of land, location of the land section and valuation. In addition, the payment for a forest stand, which is located on the forest land, shall be evaluated and determined, observing the species and age of the forest stand. The payment for the land transferred into ownership shall be calculated in units of rye by equating one land evaluation mark (point) to the value of 70 kilograms of rye in conformity with the price of rye at the moment of the transfer of land.

The amount of payment for the agricultural and forest lands that are transferred for the industrial, transport and other needs shall be calculated in accordance with the norms regarding agricultural and forestry production losses determined by the Cabinet that have occurred due to the alienation of land.

The payment for the land transferred into ownership may be reduced, depending on the objective for which the land is transferred, the period of time of the use thereof until the request into ownership, the marital status and experience in agriculture and forestry of the requester. The total deduction shall not exceed 75% from the calculated amount of payment. The procedures for the calculation and settlement of payment shall be determined by the Cabinet.

[16 December 1993]

Chapter V

Procedures for the Privatisation and Alienation of Land

[14 June 2007]

Section 19. Institutions for the Privatisation and Alienation of Land

The land privatisation shall be accomplished by:

- 1) the Central Land Commission of the Republic of Latvia by co-ordinating and legally ensuring the process of land privatisation in the Republic;
- 2) the Cabinet and institutions thereof by materially and technically ensuring the process of land privatisation in the Republic;
- 3) the State Land Service by carrying out the preparation (formation) of land properties for the registration thereof, development, implementation and management of the State cadastre of other immovable properties;
- 4) local governments and institutions thereof by compiling and examining the requests for land privatisation and the suggestions for land alienation and by taking decisions according to the procedures specified in this Law;
- 5) the Latvian Mortgage and Land Bank or another bank determined by the Cabinet by performing the settlement and credit operations related to the privatisation; and

6) the State stock company “Privatizācijas aģentūra”[Privatisation Agency] (hereinafter – Privatisation Agency) by carrying out the privatisation of such land for which until 31 August 2006 proposals for privatisation have been submitted in cases and according to the procedures intended in the Law On Privatisation of State and Local Government Property.

In other cases, which are not referred to in Paragraph one of this Section, the land alienation shall be accomplished by the State stock company “Valsts nekustamie īpašumi” [State Immovable Property] by carrying out the land alienation in cases and according to the procedures intended in the Law On Alienation of State and Local Government Property.

[27 April 1993, 16 December 1993, 5 December 1996, 17 November 2005; 14 June 2007]

Section 20. Submission of the Requests for Land Property

The former owners of land or the heirs thereof, as well as citizens to whom land has been allocated for permanent use, shall submit the requests for land property together with the documents specified in Paragraph two of this Section to the parish council (county, city council), in the territory of which the land to be privatised is located.

The area of land allocated for permanent use, the area of land requested in the ownership and the purpose of use shall be indicated in the request for land property.

The following shall be attached to the request:

1) documents that confirm the land ownership rights or rights of inheritance unless such documents have been submitted when requesting land for use; and

2) the plan of the section of land to be requested in the ownership.

Documents that confirm the land ownership or inheritance rights shall be submitted to the relevant parish council (county, city council) not later than until 1 June 1996. In the case of exceeding such term the land ownership rights may be restored only by the court.

The State archives until 1 June 1996 shall issue the necessary information to persons, who until 1 April 1996 have submitted a request for information.

[8 December 1994; 5 October 1995; 12 June 1996; 18 October 2001]

Section 21. Examination of the Requests for Land Property

A parish land commission shall examine the request for land property and shall take the decision regarding the restoration of ownership rights of the former owner of land or regarding the transfer of land into ownership in return for payment or regarding the refusal.

The decision of a parish land commission regarding the refusal to restore land ownership rights to the former owner of land, as well as regarding the refusal to transfer land into ownership of the requester thereof may be appealed to the parish council, but the decision of the parish council – to a court.

If a parish land commission, within a time period of six months from the day of the receipt of all the necessary documents, has not examined the request of the former owner of land or the heirs thereof to restore land ownership rights, the applicants have the right to request the restoration of ownership rights by judicial process.

The Central Land Commission is entitled to examine the requests of the former owners of land and the heirs thereof and take decisions regarding:

1) modification of the boundaries of land that has been allocated for use to farms established prior to the land reform (before 20 June 1990) in the following cases:

- if on the land properties requested by the former owner of land or the heirs thereof that have been allocated for use to a farm prior to the land reform are located buildings and

structures belonging to them, but buildings and structures of the present users of land are not located there; or

- if in the use of a farm, established prior to the land reform, there is a forest requested by the politically repressed or the heirs of first class thereof; and

2) establishment of household farms for the politically repressed or the heirs of the first class thereof, who after 20 June 1991 have recovered ownership rights to buildings.

[16 December 1993, 5 October 1995]

Section 22. Decisions Regarding Land Privatisation

The following shall be indicated in the decision regarding the restoration of land ownership rights:

1) to what land and in which amount land ownership rights are being restored;

2) to what area of land and to which period of time the land use restrictions are being determined; and

3) to what area of land a compensation is due and what is the amount thereof.

To whom, to what area and for what objective the land is being transferred, as well as the amount of payment, shall be indicated in the decision regarding the transfer of land into ownership in return for payment.

The evaluation of land, servitudes that are related to the land property, as well as the evaluation of another immovable property and the legend of the types of the use of land shall be indicated in the decision regarding the restoration of land ownership rights or the transfer of land into ownership in return for payment after the request by the owner of land. If necessary, special provisions for land management shall also be indicated in the decision regarding the transfer of land into ownership. The boundary plan of the section of land shall be attached to the decision in all cases.

[27 April 1993; 8 December 1994; 5 October 1995]

Section 23. Documents Confirming Land Ownership Rights

A document confirming land ownership rights shall be a Land Register deed, which is issued by the Land Register office, on the basis of the adjudication of a parish land commission or taken by the appeal procedures by the Central Land Commission or court, the Cadastre Register of the regional department of the State Land Service and the contract of the Latvian Mortgage and Land Bank with the owner of land regarding repurchase of land.

[5 October 1995, 18 October 2001]

Section 24. Special Conditions for Land Privatisation

In the process of land privatisation, land shall be transferred into ownership of the citizen of the Republic of Latvia only to one farm and household farm in return for payment in certificates. The extension of farms and household farms during the land reform shall not be considered as establishment of a new farm or household farm and land allocated for permanent use until 1 November 1996 shall be privatised in accordance with the provisions of this Law.

The documenting of land ownership rights in relation to land belonging to and under the jurisdiction of the State and local governments, as well as the procedures for the distribution and documenting of land ownership rights belonging to and under the jurisdiction of the State and local governments shall be regulated by the Law On State and Local Government Land Property Rights and Entry thereof in the Land Register.

The procedures according to which transactions with land properties recorded in the Land Register are carried out shall be regulated by Chapter VI of this Law.
[5 December 1996]

Section 25. Financial Provision of Works Related to Land Privatisation [21 June 2007]

Section 26. State Fee in the Process of Land Privatisation

Persons, who enter into contracts in the process of land privatisation and carry out other lawful transactions that are related to the restoration of former land ownership rights or the acquisition of land in ownership in return for payment, shall be exempted from the payment of a State fee.
[16 December 1993]

**Chapter VI
Transactions Involving Land Properties**

[5 December 1996]

Section 27. Transaction Object

Transactions may be performed only involving land, the ownership rights to which have been recorded in the Land Register.

Within the meaning of this Chapter any transactions, in the result of which an owner of land changes, including the contractual inheriting of land, alienation of pledged land and investing of land in the fixed capital of incorporated companies, shall be regarded as transactions involving land properties.

Section 28. Subjects of Transactions

Land may be acquired in ownership in accordance with the Civil Law and other laws by:

- 1) persons who are citizens of the Republic of Latvia;
- 2) State and local governments, State and local government undertakings (incorporated companies);
- 3) an incorporated company registered in the Register of Enterprises in the Republic of Latvia:
 - a) more than a half of the fixed capital of which belongs to the citizens of the Republic of Latvia, the State or local government, to each individually or to several such subjects jointly,
 - b) more than a half of the fixed capital of which belongs to natural or legal persons from states, with which the Republic of Latvia has entered into international contracts regarding the promotion and protection of investments, which the *Saeima* had approved until 31 December 1996. The referred to shall also be applicable to natural or legal persons from states, with which international contracts have been entered into after 31 December 1996, if such agreements provide for the rights of natural and legal persons registered in the Republic of Latvia to purchase land in the relevant state,
 - c) more than a half of the fixed capital of which belongs to several subjects referred to in Sub-clauses “a” and “b” jointly; or

d) which is a public stock company if the shares thereof are quoted in the stock exchange;

4) religious organisations registered in Latvia, the term of activity of which, counting from the moment of registration in the Republic of Latvia, is at least three years;

5) farms and individual undertakings registered in the Register of Enterprises of the Republic of Latvia if they belong to the citizens of the Republic of Latvia; and

6) State and local government institutions of higher education, the constitutions of which have been approved according to the procedures specified by the Law.

The citizens of the European Union Member States and legal persons registered in the European Union Member States starting with 1 May 2011 may acquire land in ownership under the same provisions as the subjects referred to in Paragraph one of this Section. If there is sufficient evidence that after the end of the transition period (seven years after joining the European Union) there shall be serious difficulties or there is a possibility of occurrence of such difficulties in the market of the agricultural land of Latvia, such term may be postponed for a period of time not longer than three years in accordance with the procedures that have been specified in the Treaty of Accession to the European Union.

During the transition period from 1 May 2004 until 1 May 2011, land may be acquired in ownership in accordance with the Civil Law and other laws by:

1) the citizens of other European Union Member States if they want to engage in entrepreneurship in Latvia as self-employed farmers and reside in Latvia for at least three consecutive years, as well as have been engaged in agriculture in Latvia for at least three consecutive years; and

2) other citizens of the European Union Member States and legal persons registered in the European Union Member States, except for agricultural and forest land.

Persons, who are not referred to in Paragraph one of this Section may acquire land in ownership with the restrictions that have been determined in Section 29 of this Law.

[3 April 2003; 17 November 2005]

Section 29. Restrictions to Transactions Involving Land Properties

The persons referred to in Section 28, Paragraphs three and four of this Law may acquire land in ownership in accordance with the procedures specified in Section 30 of this Law.

The persons referred to in Section 28, Paragraph four of this Law may not acquire in ownership:

1) land in the border zone of the State;

2) land in nature reserves and other protected nature areas in zones of nature reserves;

3) land in the protection zone of coastal dunes of the Baltic Sea and the Gulf of Riga;

4) land in the protection zones of public reservoirs and water courses, except sections, in which a group of constructions is intended in conformity with the territorial planning of local government;

5) agricultural and forest land in conformity with the territorial planning of local government; and

6) land in the mineral deposits of national significance.

The restrictions referred to in this Section relating to transactions involving land properties shall not be applicable to the acquisition of land in ownership by means of inheriting.

[3 April 2003]

Section 30. Procedures for Examination of Transactions

The persons referred to in Section 28, Paragraph three and four of this Law, who wish to acquire land in ownership or the Privatisation Agency if it carries out privatisation or the State stock company State Immovable Properties if it carries out the alienation of State land shall submit a submission to the parish council thereof (county, city council), in the territory of which the relevant land is located. The objective of further use of such land shall be indicated in the submission. A true copy of a deed of transaction shall be attached to the submission, except the cases when land privatisation is carried out by the Privatisation Agency or the State land alienation – by the State stock company State Immovable Properties.

The parish council (county, city council) shall examine the submission. If the objective of further use of the land indicated in the submission does not contradict with the master plan of the parish, which has been approved and has come into legal force in accordance with the Territorial Planning Regulations issued by the Cabinet, and the restrictions referred to in Section 28, Paragraph three and Section 29 of this Law are observed, the parish council (county, city council) shall agree to acquisition of land in ownership within a time period of 20 days. If the master plan of the parish has not been approved or has not come into legal force yet, prior to making a decision regarding the matter, the parish council (county, city council) shall ask a statement of the Ministry of Regional Development and Local Government, which the Ministry shall issue within a time period of two weeks. The consent shall be drawn up as a statement, and it shall be signed by the chairperson of the parish council (county, city council). The objective of use of the land to be acquired in ownership as the result of a transaction shall also be indicated in the statement. A deed of transaction shall be valid for entering into the Land Register only if the referred to statement is attached thereto. The relevant local government shall send one copy of the statement to the relevant department of the State Land Service within a time period of three days after signing of the statement. Parties to the transaction have the right to appeal the refusal of consent to a court.

The former owners of land and the heirs thereof, who have requested land until 20 June 1991 and who have been registered in a separate register of unsatisfied requests for land, have the right of pre-emption to such land, to which ownership rights were not restored for them.

[18 October 2001; 3 April 2003; 17 November 2005]

Section 31. Publishing of Information Regarding Concluded Transactions

The Ministry of Justice shall publish information regarding transactions, in the result of which the persons referred to in Section 28, Paragraph one, Clause 3, Sub-clause “b” and Paragraph four of this Law have acquired an immovable property, in the newspaper *Latvijas Vēstnesis* [the official Gazette of the Government of Latvia] at least twice a year specifying therein the size, cadastral value of such properties, proportion thereof in districts and other indicators specified by the Cabinet.

[17 November 2005]

Section 32. Preservation or Termination of Land Ownership Rights to Natural Persons who have Acquired Land in Ownership by Means of Inheriting [3 April 2003]

Section 33. Preservation or Termination of Land Ownership Rights of Natural Persons and Legal Persons

If changes have occurred in the fixed capital of the incorporated companies referred to in Section 28, Paragraph one, Clause 3 of this Law, in the result of which the incorporated company does not conform with the conditions of Section 28, Paragraph one, Clause 3 of this Law, for the purpose of further preservation of land property such incorporated company shall have to receive a consent from the parish council (county, city council) in accordance with the procedures specified in Section 30 of this Law. If the parish council (county, city council) does not give a consent, the obligation of a legal person is to alienate the land property within a time period of two years.

If the natural or legal persons referred to in Section 28, Paragraph four of this Law do not use the land property acquired as the result of transactions for the indicated objectives, such property shall be alienated within a time period of two years.

The Cabinet shall determine the procedures for further use and alienation of a non-alienated land property.

[18 October 2001; 3 April 2003; 17 November 2005]

Section 34. Restrictions on the Size of Acquisition of Land [14 June 2007]

Section 35. Termination of Land Reform

The decision regarding the termination of land reform in the territory of the relevant local government shall be taken by the Cabinet by issuing an order on the basis of a submission of the relevant local government.

Transitional Provisions

1. The norms of this Law shall be applicable if it has not been specified otherwise in the Law on Completion of State and Local Government Property Privatisation and Utilisation of Privatisation Certificates.

2. Amendments to Section 19, Paragraph three of this Law in relation to land survey shall come into force on 1 January 2006.

[17 November 2005; 14 June 2007]

Chairperson of the Supreme Council of the Republic of Latvia

A. Gorbunovs

Secretary of the Supreme Council of the Republic of Latvia

I. Daudišs

Rīga, 9 July 1992