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# REPUBLIC OF LITHUANIA
# LAW ON LAND

26 April 1994 No I-446
(As last amended on 19 May 2016 – No XII-2362)
Vilnius

## CHAPTER I
## GENERAL PROVISIONS

### Article 1. Purpose of the Law

1. This Law shall regulate the relations of land ownership, management and use, as well as land administration in the Republic of Lithuania, its special economic area and the continental shelf of the Baltic Sea.

2. For the purpose of implementing the land use planning and administration policy, land relations shall be regulated in such manner as to create the conditions for satisfying the needs of the population, natural and legal persons to rationally use the land and engage in economic activities maintaining and improving the natural environment, natural and cultural heritage, and to protect the rights of ownership, management and use of land.

### Article 2. Definitions

1. **Principal purpose of land use** shall mean the principal direction of land use which is determined by natural characteristics of the area, traditional human activities and the need for socio-economic development stipulated in the territorial planning document or landholding project and which influences the conditions of planning such area and land use.

2. **Agricultural holding managed in a rational manner** shall mean an agricultural holding, the territorial forms and the internal structure of which create favourable conditions for economically efficient and sustainable agricultural activities.

3. **Landmark** shall mean a mark establishing the boundaries of a land parcel in the area, complying with a standard set by an institution authorised by the Government of the Republic of Lithuania (hereinafter: 'the Government') and legally protected in accordance with the procedure laid down by law.

4. **Special land use conditions** shall mean restrictions on economic and/or other activities established by laws or resolutions of the Government which depend on the geographic location, adjacencies, the principal purpose of land use, the method of use and nature of activity on the land parcel, the protection needs of structures located on the land parcel, the environment, and public health.

5. **Farm holding** shall mean an economic entity which is registered in accordance with the procedure laid down in the Law on a Farm Holding of a Farmer or established in accordance with the procedure laid down in other legal acts and which engages in agricultural activities.

6. **Land** shall mean areas of dry land and internal and territorial surface waters located on the territory of the Republic of Lithuania, its special economic area and the continental shelf in the Baltic Sea.

7. **Land administration** shall mean activities of state and municipal institutions and bodies when the powers delegated to them by legal acts are enacted in the area of land management and use as well as the creation, management and maintenance of the land information system.

8. **Land information system** shall mean a system for management and provision of information to users about land (land resources).

9. **Land consolidation** shall mean the area of complex reparcelling of land in a certain rural residential area by connecting these parcels of land so that rationally managed agricultural holdings are formed, their structure is improved, the required rural infrastructure is created and other objectives and tasks of agricultural and rural development and environmental policy are implemented.

10. **Land use** shall mean areas of land differing from other areas of land by their characteristic natural properties or peculiarities of economic use.

11. **Land user** shall mean a land owner or any other natural or legal person, a foreign organisation, a branch of a legal person or a foreign organisation which use the land on the basis stipulated in laws, administrative acts, court decisions, contracts or other legitimate basis.

12. **Taking of land for public needs** shall mean buying-out of land (upon adequate compensation) according to the procedure and in the cases provided for in this Law from the owners of land where the National Land Service under the Ministry of Agriculture (hereinafter: 'the National Land Service") takes a decision that the land is required for public needs.

13. **Land easement** shall mean the right to a land parcel, or a part thereof, belonging to someone else who is granted to use this land parcel, or a part thereof (the servient object) or a restriction of the land owner's right to use the land parcel to ensure proper utilisation of the object in favour of which the easement is established (the dominant object).

14. **Land parcel** shall mean a part of an area having fixed boundaries, cadastral data and registered with the Real Property Register.

15. **Partition of a land parcel** shall mean a way of formation and rearangement of a land parcel where, at the request of one or several co-owners of the land parcel held by the right of common ownership, the parts of the land parcel that belong to the co-owners are partitioned and separate land parcels are formed.

16. **Method of use of a land parcel** shall mean the activities provided for in territorial planning documents or landholding projects which, in accordance with the procedure set forth by legal acts, are permitted in the land with the principal purpose of land use.

17. *Repealed as of 1 January 2014*

18. **Division of a land parcel** shall mean a way of formation and rearangement of land parcels where one land parcel is divided into two or more land parcels.

19. **Boundary of a land parcel** shall mean the boundary between the land parcels marked by landmarks in the area or coinciding with permanent elements of the landscape and graphically marked on the plan of a land parcel.

20. **Formation and rearrangement of land parcels** shall mean the entirety of land use planning actions covering the design of land parcels, marking of the boundaries of these land parcels in the area, collection of cadastral data and their entry in the Real Property Cadastre.

21. **Reparcelling of land parcels (amalgamation)** shall mean a change of the common boundary of land parcels where a part of the land parcel is partitioned and attached to another land parcel without forming separate land parcels.

22. **Merging of land parcels** shall mean a way of formation and rearangement of land parcels where one land parcel is formed out of two or more parcels of the same principal purpose of land use with a common boundary.

23. **Land management** shall mean the establishment and changing of the boundaries of land parcels, the composition of land uses, the location of the appurtenances of land parcels, the principal purpose of land use as well as the method of the use of a land parcel combining economic, environmental and any other private and public interests and regulated by legal acts.

24. **Agricultural land** shall mean cultivated land, orchards, meadows, pastures used or suitable for growing agricultural products.

25. **Landholding** shall mean a land parcel managed by the right of ownership or several land parcels related by a common economic activity.

26. **Land manager** shall mean the owner of land or any other natural or legal person, a foreign organisation, a branch of a legal person or a foreign organisation which have acquired the right to manage private land on the basis set in laws, other legal acts, court decisions, contracts or other legitimate basis as well as an entity that exercises the right of ownership of the state or municipality where state-owned or municipal land has been transferred to such entity on the basis of the right of trust in accordance with the procedure laid down in legal acts.

27. **Draft landholding** shall mean a land use planning document establishing the formation, rearrangement, taking of land for public needs, consolidation of a land parcel (parcels), as well as the conditions of their use (purpose, restrictions, easements, etc.).

28. **Land use planning project** shall mean a land use planning document wherein the framework of the use of land in rural areas and their protection as well as specific land use planning measures are established.

29. **Land use planning scheme** shall mean a special territorial planning document wherein the priorities of the use and management of rural areas are established at the state, municipal or local levels.

**Article 3. Land fund of the Republic of Lithuania**

1. All private, state-owned and municipal land within the territory of the Republic of Lithuania shall make up the land fund of the Republic of Lithuania.

2. According to the principal purpose of land use, the land fund of the Republic of Lithuania shall be divided into:

1) agriculture land;

2) forestry land;

3) aquaculture land;

4) land for conservation purposes; and

5) land for other purposes.

3. The state-owned land that has not been leased or transferred for use and that according to the laws regulating the restoration of ownership rights of citizens to the existing real property is not subject to return in kind shall be attributed to the fund of unoccupied state-owned land.

**Article 4. Private land**

1. Private land shall consist of land returned to natural or legal persons or otherwise acquired by them (except for the State and municipalities) into their ownership.

2. The Civil Code, this Law and other laws shall regulate management, use and disposal of private land.

## CHAPTER II
## STATE LAND

**Article 5. Land belonging to the State of Lithuania by the right of ownership**

1. The following types of land shall belong to the State of Lithuania by the right of ownership:

1) land belonging to the State of Lithuania by the right of exclusive ownership and specified in Article 6 of this Law;

2) land inherited by the State;

3) land acquired into the ownership of the State under contracts;

4) land that previously belonged to a municipality by the right of ownership and has been transferred into the ownership of the State without compensation in cases and in accordance with the procedure laid down by law;

5) land that has been taken for public needs in accordance with the procedure laid down by law;

6) land which has been transferred into the ownership of the State by court decision because its owners are unknown;

7) land seized for violations of laws in accordance with the procedure laid down by law;

8) other land that has not been acquired into the ownership of municipalities or private ownership on the grounds stipulated in laws.

2. State-owned land can be disposed of by conveying it into the ownership without compensation, by selling, leasing or transferring it for gratuitous use and concluding contracts concerning land consolidation, easement in accordance with the procedure laid down in the Civil Code, this Law and other laws. No other contracts concerning state-owned land may be concluded unless other laws provide otherwise.

**Article 6. Land belonging to the State of Lithuania by the right of exclusive ownership**

1. The State of Lithuania shall own by the right of exclusive ownership the land that has been assigned, according to the procedure established by laws and the Government, to:

1) roads of national significance and public railways;

2) the coastal zone (including the territory of the Curonian Spit National Park) except for land parcels acquired into the private ownership before the entry into force of the Law on the Coastal Zone;

3) strict state reserves and small strict reserves;

4) forests and parks of national significance;

5) historical, archaeological and cultural objects of national significance;
6) internal water bodies of national significance;
7) territorial waters;
8) territory of the national seaports of the Republic of Lithuania;
9) the border strip (land and waters along which the border strip goes).

2. The land owned by the State of Lithuania by the right of exclusive ownership may not be acquired into the ownership of municipalities or into private ownership.

**Article 7. Management, use and disposal of state-owned land by the right of trust**

1. The entity of the right of trust (trustee) of the state land shall be:

1) the National Land Service - of all state-owned land of the Republic of Lithuania except for the land that has been transferred by the right of trust to other subjects;

2) municipalities - of the state-owned land that has been transferred to municipalities by the right of trust by resolutions of the Government and in accordance with the procedure established by the Government;

3) the manager of the centrally managed state assets when the state-owned land is assigned to real property transferred to the manager of state assets managed on a centralised basis by the right of trust, when the state-owned land is assigned to real property belonging to the State or a municipality by the right of ownership to be sold in accordance with the procedure provided for by laws or when the state-owned land is necessary for implementation of economic projects important for the state, the significance of which was recognised by the Seimas of the Republic of Lithuania (hereinafter - the Seimas) or the Government, and the management of which was commissioned by the Seimas or the Government to the manager of the state assets managed on a centralised basis;

4) *Repealed as of 1 October 2014;*

5) the state enterprise the State Land Fund (hereinafter - the State Land Fund) - of the state-owned land parcels assigned to the area of land consolidation project by this Law, except for state-owned land parcels assigned to this area transferred to other trustees of the state-owned land, as well as of the land parcels purchased according to the procedure provided for by law from private persons into the state ownership that are necessary for the implementation of the facilities administered by the State Land Fund and financed from the state budget and the EU with the aim to improve the structure of agricultural holdings and absorbing abandoned land parcels;

6) entities referred to in point 3 of this Article;

7) other entities provided by laws.

2. State-owned land parcels shall be transferred to municipalities by the right of trust by resolutions of the Government and in accordance with the procedure established by the Government for the following purposes:

1) public recreation and leisure;
2) public leisure facilities;
3) streets and local roads;
4) building up and/or running public engineering networks;
5) construction and/or running of dwelling houses;
6) commercial and economic activities.

3. By resolutions of the Government, state-owned forest land parcels can be transferred by the right of trust to the subjects specified in the Forestry Law for the performance of the functions of the State. By resolutions of the Government, state-owned land parcels can be transferred by the right of trust to other subjects specified in the Law on Management, Use and Disposal of State-owned and Municipal Property where the laws delegate the functions of the State to them. The National Land Service shall supervise that the resolution of the Government to transfer a land parcel by the right of trust would be properly implemented. Where these subjects no longer perform the functions for the performance whereof state-owned forest land parcels or any other state-owned land parcels were transferred to them by the right of trust, the Government shall adopt a resolution on cessation of the subjects' right of trust and, as of the moment of coming into force of this resolution of the Government, the National Land Service shall be considered to be the trustee of the state-owned forest land parcels or any other state-owned land parcels.

4. The trustees specified in paragraph 3 of this Article may not sell or otherwise transfer, lease, transfer on the basis of a loan for use or transfer for use in any other manner the state-owned forest land parcels or any other state-owned land parcels transferred to them as well as pledge them or in any

other way restrict the rights in rem to them, use them as a guarantee, surety or in any other way use them to secure the discharge of obligations assumed by them or by other persons. Any other restrictions concerning the management and use of the transferred forest land parcels or any other land parcels may be stipulated in the resolution of the Government.

5. A person authorised by the Government shall sign a transfer and acceptance act of the state-owned land parcel that is transferred by the right of trust to the subjects specified in paragraphs 2 and 3 of this Article. Where a trustee of the state-owned land fails to register the right of trust with the Real Property Register within three months from signing the transfer and acceptance act, the Government shall adopt a resolution on cessation of the trustee's right of trust and, as of the moment of coming into force of this resolution of the Government, the National Land Service shall be considered to be the trustee of the land parcel.

6. The trustees of the state-owned land shall manage, use and dispose of the land transferred to them by the right of trust for public benefit in accordance with the procedure and conditions laid down in this Law and other laws.

**Article 8. Transfer of the state-owned land for gratuitous use (loan for use)**

1. When concluding contracts of loan for use of the state-owned land, the state-owned land may be transferred for temporary gratuitous use to state institutions, municipalities, forest enterprises, directorates of strict state reserves or state parks, other establishments financed from the state or municipal budgets, traditional religious communities and associations, public establishments operating in accordance with the Law on Public Establishments when at least one of the stakeholders is a state or municipal institution, and public establishments (schools). The state-owned land parcels required for operating the structures or facilities may be transferred for temporary gratuitous use to other subjects specified in Article 14 of the Law on Management, Use and Disposal of the State-owned and Municipal Property to whom the state-owned property (structures or facilities) were transferred for gratuitous use on the basis of a loan for use. Where a land parcel transferred on the basis of a loan for use is required for operating the structures or facilities transferred on the basis of a loan for use, the period of validity of the contract of loan for use for land shall not be longer than the term of validity of the contract of loan for use for structures or facilities. The state-owned land shall be transferred for gratuitous use in accordance with the procedure established by the Government.

2. The laws and resolutions of the Government shall establish the procedure for transferring for gratuitous use of the state-owned land required for operating the objects established by the Ministries of National Defence and the Interior.

3. In accordance with the procedure set by laws and other legal acts, state-owned land parcels shall be transferred for gratuitous use by:

1) the municipality where the state-owned land parcels were transferred to municipalities by the right of trust by resolutions of the Government. The municipal council shall take a decision on the transfer for gratuitous use of a state-owned land parcel, and the director of the municipal administration or a civil servant of the administration of the municipality authorised by the director shall conclude a contract of loan for use of the state-owned land;

2) trustees of the state-owned land specified in other laws - in cases stipulated in these laws where the state-owned land parcels were transferred to them by the right of trust;

3) the manager of the centrally managed state assets when the state-owned land is assigned to real property transferred to the manager of the centrally managed state assets by the right of trust. The head of the manager of centrally managed state assets shall take a decision on the transfer for gratuitous use of a state-owned land parcel, and the contract of loan for use of the state-owned land shall be concluded by the manager of the centrally managed state assets or an employee authorised by him;

4) the National Land Service – in all other cases. A decision on the transfer for gratuitous use of the state-owned land shall be taken by and a contract of loan for use of the state-owned land shall be concluded by the head of the National Land Service or the head of the territorial unit authorised by him.

4. *Repealed as of 1 July 2010.*

5. It shall be provided for in a contract of loan for use of the state-owned land that this contract shall be registered, at the expense of the recipient of the loan for use, with the Real Property Register within 3 months after the date of its conclusion in accordance with the procedure laid down in the Law on the Real Property Register. Where the recipient of the loan for use fails to fulfil this condition, the

lender of the loan for use shall require the remedy of the breach of the terms and conditions of the contract or terminate the contract of loan for use before it expires.

6. The state-owned land shall be transferred for gratuitous use to subjects specified in paragraph 1 of this Article (except for traditional religious communities and associations) only for the performance of the functions of the State and municipalities. Where the land parcel transferred for use is used not in compliance with the conditions specified in the contract of loan for use, or where the recipient of the loan for use no longer performs the functions for the performance whereof the state-owned land parcel was transferred to him, it shall be considered that the land parcel that has been transferred for gratuitous use is used not according to its purpose and the lender of the loan for use shall terminate the contract of loan for use before it expires.

7. Persons, to whom the state-owned land parcels were transferred for gratuitous use, may not transfer them for use to other persons.

8. Where the state-owned land that has been transferred for gratuitous use is taken for public needs and the contract of loan for use of the state-owned land is terminated before it expires, the value of the structures and plantations located on the land parcel and the losses incurred by the land users shall be reimbursed in accordance with Article 47 of this Law or the Law on the Taking of Land for Public Needs in Implementing Projects of Special National significance. The contract of loan for use of the state-owned land shall be terminated after the settlement with the user of the land in accordance with the procedure laid down in Article 47 of this Law or the Law on the Taking of Land for Public Needs in Implementing Projects of Special National significance.

**Article 9. Lease of the state-owned land**

1. In accordance with the procedure provided for in laws and other legal acts, the state-owned land parcels shall be leased by:

1) a municipality - the sate-owned land parcels that were transferred to municipalities by the right of trust by resolutions of the Government. The municipal council shall take a decision on the lease of a state-owned land parcel, and the director of the municipal administration or a civil servant of the administration of the municipality authorised by the director shall conclude a lease contract of the state-owned land;

2) the manager of state assets managed on a centralised basis when the state-owned land is assigned to real property transferred to the manager of state assets managed on a centralised basis by the right of trust, when the state-owned land is assigned to real property belonging to the State or a municipality by the right of ownership to be sold in accordance with the procedure provided for by laws or when the state-owned land is necessary for implementation of economic projects significant for the State, thesignificance of which was recognised by the Seimas or the Government, and the management of which was commissioned by the Seimas of the Government to the manager of the centrally managed state assets. The head of the manager of centrally managed state assets shall take a decision on the lease of a state-owned land parcel, and the lease contract of the state-owned land shall be concluded by the manger of the centrally managed state assets or an employee authorised by him;

3) trustees of the state-owned land specified in other laws in cases stipulated in these laws where the state-owned land parcels were transferred to them by the right of trust;

4) the National Land Service – in all other cases. A decision on the lease of the state-owned land shall be taken by and a lease contract of the state-owned land shall be concluded by the head of the National Land Service or the head of the territorial unit authorised by him.

2. It shall be provided for in a lease contract of the state-owned land that this contract shall be registered, at the expense of the lessee of the land parcel, with the Real Property Register within three months after the date of its conclusion in accordance with the procedure laid down in the Law on the Real Property Register. Where the lessee fails to fulfil this condition, the lessor shall require the remedy of the breach of the terms and conditions of the contract or terminate the lease contract of the state-owned land before it expires.

3. The term of lease of land shall be determined by agreement between the lessor and the lessee and it shall be for a period not exceeding 99 years. Where land for agricultural purposes is to be leased, the term of lease of land shall not exceed 25 years. Land parcels for constructing temporary structures and running their of shall be leased for a term specified in the Law on Construction. In other cases, the term of lease of land parcels leased for running or constructing and running of the structures or facilities shall be determined taking into consideration the economically reasonable working life of

the structure or facility. The motivation for setting the term of the lease shall be provided in a decision on the lease of the parcel of the state-owned land.

4. The term of lease of land set in the lease contract of the state-owned land may be extended in cases stipulated by the Government.

5. The state-owned land shall be leased by auction to the person who offers the highest rent, except for the cases specified in paragraphs 6-9 of this Article. The Government shall establish the procedure for leasing the state-owned land at an auction or without an auction.

6. The state-owned land shall be leased without an auction if:

1) structures or facilities owned by the right of ownership, or leased, by natural and legal persons are located on it (except for temporary structures, engineering networks and structures without a clear functional dependence or of unspecified use or nature of economic activities and which serve the main structure or facility or its appurtenance). Land parcels whereon structures or facilities leased by natural or legal persons are located shall be leased only for a term of lease of these structures or facilities. The leased land parcels shall be of the size stipulated in the territorial planning documents or landholding projects, and required for operating the structures or facilities pursuant to their primary purpose indicated in the Real Property Cadastre;

2) an authorisation to exploit the subsurface resources and caves is obtained in accordance with the procedure laid down in the Law of the Subsurface;

3) it is required for the implementation of economic or cultural projects of national significance whose state significance is recognised by the Seimas or the Government by its decision, regional socio-economic development and/or infrastructure projects which acknowledged projects of regional significance by a regional development council in accordance with the procedure laid down by the Government;

4) land parcels that do not exceed the size set by the Government are located in between the leased state-owned land parcels – to the lessees of such state-owned land parcels;

5) it is required for the implementation of a concession project – in cases stipulated in the Law on Concessions;

6) it is necessary for implementation of a general government and private entities' partnership agreement - in the cases established by the Law on Investments of the Republic of Lithuania;

7) there are aquaculture ponds constructed on it (including land on which dam facilities are located) - to the owners of the constructions and facilities used for aquaculture located on this land.

7. During the land reform, the state-owned land parcels for agricultural purposes in rural areas that are formed in compliance with the land use planning projects of the land reform shall be leased without an auction in accordance with the procedure established by the Government. The following persons shall have the pre-emption right to lease such land:

1) natural persons who have registered a farm holding in accordance with the procedure laid down in the Law on a Farm Holding of a Farmer or persons qualified to engage in farming as established by an institution authorised by the Government;

2) legal persons - producers of agricultural products whose annual earnings from the sale of commercial agricultural output makes up more than 50 per cent of all his income.

8. Where several persons who have the same pre-emption right request to lease the same state-owned land parcel for agricultural purposes, the land parcel shall be leased to a person who legitimately uses the land parcel. If there are no such persons, the land parcel shall be leased to a person whose state-owned land parcel for agricultural purposes that belongs to him by the right of ownership or is leased by him from the state is adjacent to the land parcel for agricultural purposes that is requested to be leased. If there are no such persons or there are several of them, the land parcel for agricultural purposes shall be leased to the person who has submitted the application to lease the state-owned land parcel for agricultural purposes earlier than the rest. In cases when there are several persons not specified in points 1 and 2 of paragraph 7 of this Article who wish to lease the same state-owned land parcel for agricultural purposes, this land parcel shall be leased to them at an auction.

9. Lease contracts of the state-owned land with the users of land parcels allocated to them for establishing a household farm, farmer's holding, land parcels allocated to enterprises, institutions or organisations or gardening in accordance with the procedure laid down in legal acts shall be concluded without an auction in accordance with the procedure established by the Government.

10. The state-owned forest land can be leased only for the activities stipulated in the Forestry Law.

11. The lease contract of the state-owned land leased without an auction may be terminated

before it expires at the request of the lessor, when the rights of ownership to this land are restored, except the cases specified in the laws regulating the restoration of ownership rights of citizens to the existing real property.

12. The Government shall establish the amount of the rent for the state-owned land leased without an auction and its payment procedure. The lease contract of the state-owned land parcel leased without an auction must stipulate the right of the lessor to re-calculate the value of the land parcel, on the basis whereof the amount of the rent for land is calculated, every three years in accordance with the procedure established by the Government or an institution authorised by it.

13. The lessees of the state-owned land shall have the right to use the leased state-owned land parcel for their activities in compliance with the established principal purpose of land use, the method of its use, special land use conditions, other restrictions on activities or the established easement, as well as to use the valuable properties of the underground, groundwater and surface water and mineral resources (except for amber, oil, natural gas and quartz sand) of their land parcel for the needs of their farm holding (not for sale) pursuant to the exploitation and conservation requirements set in laws, or dispose of the production grown on their land parcel and the income received from the land parcel. The Government shall determine other terms and conditions that have to be stipulated in the lease contract of the state-owned land.

14. The lease contract of the state-owned land may be terminated before it expires at the request of the lessor, if the lessee uses the land not in compliance with the principal purpose of land use and the method of its use stipulated in the contract or when the principal purpose of land use and the method of its use are changed, except for the cases when a possibility of changing the principal purpose of land use and the method of its use is stipulated, in cases and according to the procedure established by the Government, in the lease contract of the state-owned land or in its amendment.

15. Where the leased state-owned land is taken for public needs and the lease contract of the state-owned land is terminated before it expires, the value of the structures and plantations located on the land parcel and the losses incurred by the lessees of the state-owned land due to the termination of the contract shall be reimbursed in accordance with Article 47 of this Law or the Law on the Taking of Land for Public Needs in Implementing Projects of Special National Significance. The contract of loan for use of the state-owned land shall be terminated after the settlement with the lessees in accordance with the procedure laid down in Article 47 of this Law or the Law on the Taking of Land for Public Needs in Implementing Projects of Special National Significance.

16. The procedure and conditions for leasing the state-owned land parcels to diplomatic missions and consular posts of foreign states shall be established in the Law on the Procedure and Conditions for Conveyance and Lease of Land parcels to Diplomatic Missions and Consular Posts of Foreign States.

**Article 10. Conveyance of the state-owned land**

1. In accordance with the procedure set by laws and other legal acts, state-owned land parcels shall be transferred into the ownership of other persons by :

1) the manager of centrally managed state assets - when the state-owned land parcels under territorial planning documents or landholding projects are assigned to real property belonging to the State or a municipality by the right of ownership to be sold in accordance with the procedure provided for by law. The manager of centrally managed state assets or an employee authorised by him shall conclude the purchase and sale contracts of the state-owned land.

2) *Repealed as of 1 October 2014.*

3) the Government - when the state-owned land parcels are gratuitously transferred into the ownership of municipalities in the cases established by this and other laws;

4) the National Land Service – in all other cases. A decision on the sale of the state-owned land shall be taken by and the purchase and sale contract of the state-owned land shall be concluded by the head of the National Land Service or the head of the territorial unit authorised by him.

2. It shall be provided for in a purchase and sale contract that the right of ownership to a land parcel shall be registered, at the expense of the buyer, with the Real Property Register within three months after the date of conveyance of the land parcel. Where the buyer avoids to register the fact of the transfer of ownership right, the seller of the state-owned land shall apply to the court with a request concerning the registration of the purchase and sale contract of the state-owned land and concerning the reimbursement of the losses incurred due to the failure to register the contract.

3. The state-owned land parcels that were formed pursuant to the Law on Land Reform shall be sold in accordance with the procedure laid down in the Law on Land Reform.

4. The state-owned land parcels shall be sold at an auction to the person who offers the highest price for the land parcel, except for the cases specified in paragraph 5 of this Article.

5. The state-owned land parcels shall be sold without an auction in the following cases:

1) if structures or facilities owned by the right of ownership by natural and legal persons are located on it, except for land parcels with temporary structures, only with engineering networks and/or with structures without a clear functional dependence or of unspecified use or nature of economic activities and which serve the main structure or facility or its appurtenance. The state-owned land parcels shall be sold of the size required for operating the structures or facilities pursuant to their primary purpose indicated in the Real Property Cadastre;

2) if they were granted to gardeners' societies and members of such societies in accordance with the procedure laid down in legal acts; other land parcels located within the area of an amateur garden – to their users. Land parcels of gardens that were granted to the members of associations and users before 18 May 1995 in accordance with the decisions of the gardeners' society, shall be equalled to those granted in accordance with the procedure laid down in legal acts.

3) if they were granted for the construction of individual dwelling houses in rural and urban areas in accordance with the procedure laid down in legal acts, and payments in cash were made or lump sum state benefits were paid for these land parcels in accordance with the established procedure;

4) if they are located in between the private land parcels and do not exceed the size set by the Government – to the owners of such land parcels;

5) in cases there are aquaculture ponds constructed on them (including land on which dam facilities are located) - to the owners of the constructions and facilities used for aquaculture located on this land. The principal purpose of the land parcel use and the nature of the activity on the land parcel (fish farming and fishing on aquaculture ponds) may be changed not earlier than five years after the day of acquisition of the land parcel;

6) in other cases specified by law.

6. The size of the state-owned land parcels offered for sale shall be established according to territorial planning documents or landholding projects. The maximum size of the state-owned land parcels offered for sale shall be established by the Law on Land Reform and other laws.

7. The Government shall establish the procedure for selling the state-owned land parcels at an auction and without an auction.

8. (Repealed).

9. Other laws may determine the specific features of conveyance of the land for agricultural or forestry purposes as well as of the land located within the territories of objects of natural and cultural heritage and other protected areas.

10. Water bodies may be conveyed into private ownership of natural and legal persons in accordance with the procedure and conditions laid down in this Law and the Law on Land Reform, except for surface water bodies of national significance.

11. The procedure and conditions for conveying the state-owned land parcels to diplomatic missions and consular posts of foreign states shall be established in the Law on the Procedure and Conditions for Conveyance and Lease of Land Parcels to Diplomatic Missions and Consular Posts of Foreign States.

12. Procedure and conditions for transfer of state-owned land parcels necessary for the implementation of the project of a new nuclear power plant referred to in the Law on the Nuclear Power Plant shall be provided for in the Law on the Nuclear Power Plant.

**Article 11.** *Repealed as of 1 January 2007.*

**Article 12. Joint partial ownership of the State and other persons to land**

Joint partial ownership of the State and municipalities or other persons to land shall arise after acquiring in accordance with the procedure established by legal acts a part of a land parcel with a structure or facility on it or a water body from the State or by the State from the municipality or other persons according to the laws regulating the restoration of ownership rights of citizens to the existing real property, after restoration of ownership rights to a part of land parcel which is not built on and formed according territorial planning documents or landholding projects. In such cases, the National Land Service or another trustee of state-owned land who has been transferred a part of the state-owned

land parcel by the right of joint partial ownership shall act on behalf of the State and exercise the co-owner's right to the land parcel in accordance with the procedure provided for by this Law or other laws.

**Article 13. Management of the fund of unoccupied state-owned land**

1. The fund of unoccupied state-owned land shall be managed by the National Land Service and other trustees of the state-owned land parcels in accordance with the procedure established by this Law and the Government, as well as by the State Land Fund in cases established by this Law.

2. The land from the Fund of Unoccupied State-owned Land shall be conveyed into ownership, transferred for use or leased after completing the required territorial planning and land use planning works, establishing the principal purpose of land use of the land parcels, the method of their use, the special land use conditions and registering the formed land parcels with the Real property Register in accordance with the procedure established by the Civil Code, this Law and other laws.

3. In the conveyed or leased state-owned land parcels, land parcel formation and land use planning works required for the use of such land parcels according to their principal purpose of land use stipulated in the landholding projects (construction of roads, reconstruction of the land reclamation system and other works) shall be carried out at the expense of their trustees and users.

## CHAPTER III
## MUNICIPAL LAND

**Article 14. Land belonging to municipalities by the right of ownership**

1. The following shall belong to municipalities by the right of ownership:

1) land that has been gratuitously transferred into the ownership of municipalities according to the Law on Acquisition and Conveyance of Land Parcels Required for the Performance of Municipal Functions, and this Law;

2) land acquired under contracts into the ownership of municipalities;

3) land inherited by a municipality under a will;

4) land, which, as an ownerless property, has been transferred into the ownership of the a municipality by court decision.

2. The municipal council shall exercise the owner's right to the land belonging to the municipality by the right of ownership.

3. The municipal land can be disposed of by transferring it into the ownership of the state without compensation, by transferring it for management by the right of trust, by selling, leasing or transferring it for gratuitous use and concluding contracts concerning land consolidation, easement in accordance with the procedure laid down in the Civil Code, this Law and other laws. No other contracts concerning municipal land may be concluded.

**Article 15. Gratuitous transfer of the state-owned land into the ownership of municipalities**

1. The following state-owned land parcels shall be gratuitously transferred into the ownership of municipalities:

1) those with structures and facilities that have been acquired (being acquired) by municipalities into the ownership in accordance with the Law on Transfer of the State-owned Property into the Ownership of Municipalities and the Law on Assignment and Transfer of Part of the State-owned Property into the Ownership of Municipalities;

2) which, under territorial planning documents or landholding projects , are designated for the construction and operation of structures and facilities required for the performance of the functions of municipalities;

3) if the structures or facilities located on those land parcels have been transferred to municipalities for the performance of newly assigned functions.

2. The state-owned land parcels shall be gratuitously transferred into the ownership of municipalities by resolutions of the Government in accordance with the procedure established by the Government. The person authorised by the Government shall sign the transfer and acceptance act of the conveyed land parcel on behalf of the State.

3. The municipality shall reimburse the state for setting up (management) of the land parcels to be conveyed.

**Article 16. Management, use and disposal of municipal land by the right of trust**

1. By decision of the municipal council, the land parcels that belong to municipalities by the right of ownership shall be transferred to municipal enterprises and establishments by the right of trust for the performance of the functions of municipalities.

2. The municipal council or the director of municipal administration authorised by it shall supervise proper implementation of a decision to transfer a land parcel by the right of trust. Where an entity which was transferred a land parcel by the right of trust no longer performs the functions for the implementation whereof the state-owned land parcel was transferred to him by the right of trust, the municipal council shall adopt a decision on cessation of the entity's right of trust.

3. A trustee of municipal land parcels transferred to him by the right of trust may not sell or otherwise convey, lease, transfer on the basis of a loan for use or transfer for use in any other manner as well as pledge them or in any other way restrict the rights in rem to them, use them as a guarantee, surety or in any other way use them to secure the discharge of obligations assumed by him or by other persons. Any other restrictions concerning the management and use of the transferred land parcels may be stipulated in a decision of the municipal council.

4. The right of trust to the transferred municipal land parcel shall arise from transferring the land parcel to the subject of the right of trust and signing the transfer and acceptance act of the land parcel. The transfer and acceptance act of the land parcel shall be signed in accordance with the procedure established by the municipal council.

5. The trustees of municipal land shall manage, use and dispose of the land transferred to them by the right of trust in compliance with laws and in accordance with the procedure and conditions established by municipal councils.

**Article 17. Transfer of municipal land for gratuitous use (loan for use)**

1. Municipal land may be transferred to subjects specified in Article 8(1) of this Law for temporary gratuitous use on the basis of a loan for use. The land parcels required for operating the structures or facilities may be transferred for temporary gratuitous use on the basis of a loan for use to other subjects specified in Article 13 of the Law on Management, Use and Disposal of the State-owned and Municipal Property to whom municipal property (structures or facilities) were transferred for gratuitous use on the basis of a loan for use.

2. The municipal council shall take a decision on the transfer for gratuitous use of a land parcel that belongs to the municipality by the right of ownership. The municipal council shall establish the procedure for taking the decision and signing the contract of loan for use. The period of validity of the contract of loan for use for land and other conditions of the loan for use shall be specified in the decision. These conditions shall be included in the contract of loan for use for land. Where a land parcel transferred on the basis of a loan for use is required for operating the structures or facilities transferred on the basis of a loan for use, the period of validity of the contract of loan for use for land shall not be longer than the term of validity of the contract of loan for use for structures or facilities.

3. Municipal land shall be transferred for gratuitous use to subjects specified in Article 8(1) of this Law (except for traditional religious communities and associations) only for the performance of the functions of the state and municipalities. Where the land parcel transferred for use is used not in compliance with the conditions specified in the contract of loan for use, or where the recipient of the loan for use no longer pursues activities for the pursuance whereof the municipal land parcel was transferred to him, it shall be considered that the land parcel that has been transferred for gratuitous use is used not according to its purpose and the lender of the loan for use must terminate the contract of loan for use before it expires.

4. Persons, to whom the municipal land parcels were transferred for gratuitous use, may not transfer them for use to other persons.

**Article 18. Lease of municipal land**

1. The land parcels that belong to municipalities by the right of ownership shall be leased in accordance with the procedure established by the municipal council. The municipal council shall take a decision on leasing a municipal land parcel.

2. The validity period of the lease contract of municipal land and the motivation for setting it shall be provided in the decision.

**Article 19. Conveyance of municipal land**

1. Decisions to convey the land parcels that belong to municipalities by the right of ownership to other municipalities, and natural and legal entities shall be taken by municipal councils in compliance with the requirements set in this Law and other laws. Municipal councils shall establish the procedure for concluding contracts of conveyance of municipal land parcels and signing the transfer and acceptance act of a land parcel.

2. The land parcels that belong to municipalities by the right of ownership shall be conveyed by way of purchase and sale (except for the cases of conveyance to the State) when they are assigned to real property belonging to the State or a municipality by the right of ownership to be sold in accordance with the procedure provided for by laws and are necessary for the maintenance of the said property. Land parcels without structures or facilities shall be sold at an auction in accordance with the procedure established by the Government.

3. The following land parcels that belong to municipalities by the right of ownership shall be gratuitously transferred into the ownership of the State:

1) if the functions of a municipality are delegated to the State pursuant to laws and the structures or facilities located on the land parcel that belongs to the municipality that are required for the performance of these functions are transferred;

2) if the municipal council takes a decision to transfer, and the Government – to accept into the ownership of the State a municipal land parcel without structures or facilities that belong to the municipality where the parcel is necessary for performing the functions of the State.

4. The state shall reimburse a municipality for setting up (management) in accordance with the procedure established by the Government or, with the consent of the municipality, the land parcels shall be transferred into the ownership of the state without covering the costs related to setting up of a land parcel. The person authorised by the Government shall sign the transfer and acceptance act of the conveyed land parcel on behalf of the state.

5. *Repealed as of 2 February 2010.*

6. *Repealed as of 2 February 2010.*

**Article 20. Joint partial ownership of municipalities and other persons to land**

Joint partial ownership of municipalities or other persons to land shall arise after acquiring a part of a land parcel with a structure or facility on it or a water body from the municipality or by the municipality from the state or other persons in accordance with the procedure established in legal acts, as well as in other cases provided for by laws. In such cases, the municipal council shall act on behalf of the municipality and exercise the co-owner's right to the land parcel.

## CHAPTER IV
## CONDITIONS OF THE LAND USE

**Article 21. Duties of land owners and other land users**

The land owners and other users shall:

1) use land according to its principle purpose of use and the method of use;

2) comply with the special land use conditions established in respect of a land parcel and satisfy the requirements set in the territorial planning documents or landholding projects;

3) use the land, forests and waters rationally and preserve them as well as mineral resources, and other natural and recreational resources, the exploitation whereof has been permitted;

4) implement measures provided for by legal acts for the protection of land, forests and waters from pollution, the protection of the soil from erosion and degradation, and environmental protection measures aimed at preventing the deterioration of ecological situation;

5) comply with maintenance and operation requirements for land reclamation facilities and roads set by legal acts;

6) in the course of construction works and when exploiting mineral resources, comply with the requirements set by legal acts with a view to ensuring the preservation of the fertile layer of the soil and re-cultivating damaged lands;

7) while pursuing economic and other activities on the land parcels used by them, refrain from violating the legitimate rights and interests of the owners, users or inhabitants of the adjacent land parcels;

8) permit exploration and measurement of the land, the underground and the surface waters subject to the agreement between the parties in writing on the foreseen method and duration of these explorations, on the boundaries of the area under investigation, the time period for the completion of works and compensation of losses, refrain from destroying and damaging the conserved bore-holes and the facilities used for scientific purposes;

9) permit the erection of geodesic and geophysical marks on structures and land, and protect them;

10) permit other persons to get access to the surface water bodies along the set shore protection strips, to visit territorial complexes and objects of natural and cultural heritage and public recreational objects (territories);

11) construct structures and facilities only after receiving the required authorisations in accordance with the procedure laid down in legal acts;

12) comply with other requirements provided for by other laws.

**Article 22. Special land use conditions**

1. The special land use conditions shall be established by this Law, other laws and resolutions of the Government.

2. This Law shall establish the following special land use conditions in respect of land parcels for agricultural purposes:

1) arable land whose soil productivity is higher than the national average as well as land where land reclamation systems are operating shall be used in such manner as to prevent the reduction of its area, except for the ecologically impoverished nature frame territories, and deterioration of the soil properties;

2) agricultural lands whose soil is affected by wind and water erosion must be used by applying a set of anticorrosion measures;

3) areas of land use comprising the forests and bushed plantings that have a protective value for the soil and water and that are ecologically valuable, also the swamps, stone places, natural meadows and pastures marked in the territorial planning documents or landholding projects, must be used taking into account the requirements on landscape formation and environment protection.

3. The Government shall establish the procedure for applying the special land use conditions.

4. When developing the territorial planning documents, landholding projects or plans for construction or other activity, the established special land use conditions must be complied with.

5. Special land use conditions for a specific land parcel shall be recorded in the Real Property Cadastre and in the Real Property Register when newly formed land parcels (in the areas where, before the approval of the territorial planning documents or landholding projects, the land parcels were not formed) are registered on the basis of the territorial planning documents or landholding projects.

6. Additional special land use conditions apllied for a specific land parcel shall be recorded in the Real Property Cadastre and in the Real Property Register if they are established by the approval of a new territorial planning document, a landholding project or upon a written consent of the owner of the land or the trustee of the state-owned or municipal land. A written consent of the owner of the land or the trustee of the state-owned or municipal land regarding recording of additional special land use conditions in the Real Property Cadastre and in the Real Property Register shall not be compulsory only when a territorial planning document or a landholding project is prepared in order to satisfy public interests for the needs specified in Article 45(1) of this Law. In cases specified in laws where territorial planning documents or landholding projects are not prepared but special land use conditions must be applied, additional special land use conditions applied for a specific land parcel shall be recorded in the Real Property Cadastre and in the Real Property Register without developing the territorial planning documents or landholding projects upon a written consent of the owner of the land or the trustee of the state-owned or municipal land, provided they have agreed with a person who is interested in the pursuit of the proposed economic activity regarding remuneration of the losses incurred due to the establishment of the additional special land use conditions.

7. When, after the approval of a new territorial planning document or the landholding project, additional special land use conditions must be applied for a land parcel (or a part thereof) registered with the Real Property Register, or when those previously applied to this parcel (or a part thereof) are revoked, the organiser of the territorial planning document or the landholding project shall, within one month after the approval of the territorial planning document or its amendment, inform in writing the owner of the land parcel or the user of the state-owned or municipal land by indicating the specific

special land use conditions that must be applied or revoked; and shall communicate the notification on the basis of which a relevant entry is made in the land parcel register recording on the applied or abolished special land use conditions to the manager of the Real Property Cadastre and the Real Property Register in accordance with the procedure laid down in the Laws on Real Property Cadastre and on Real Property Register.

8. In the cases specified in paragraph 6 of this Article as well as when a new land parcel is formed (in the areas where, before the approval of the territorial planning documents or landholding projects, the land parcels were not formed), when special land use conditions to be applied for this land parcel have not been indicated in the file of cadastral data of real property objects and have not been recorded in the Real Property Cadastre and the Real Property Register, cadastral data of the land parcel shall be amended. Cadastral data of the land parcel shall be ammended and the ammendments of the data shall be recorded in the Real Property Cadastre and the Real Property Register in accordance with the procedure and under the conditions specified by the Government in the regulations of the Real Property Cadastre.

9. An application to change the cadastral data of the land parcel and to record new (additional) special land use conditions shall be submitted by the owner of the land parcel, the trustee of the state-owned or municipal land, a person who is interested in the pursuit of the proposed economic activity regarding which special land use conditions are set.

10. When a new land parcel is formed (in the areas where, before the approval of the territorial planning documents or landholding projects, the land parcels were not formed) and special land use conditions to be applied for this land parcel have not been indicated in the file of cadastral data of real property objects and have not been recorded in the Real Property Cadastre and the Real Property Register, the head of a territorial unit of the National Land Service shall organise recording of special land use conditions to be applied at the moment of formation of a land parcel in the Real Property Cadastre and the Real Property Register.

11. Disputes regarding the territorial planning document or landholding project according to which the special land use conditions must be applied for a land parcel or those previously applied are revoked, shall be addressed in accordance with the procedure established by the Law on Territorial Planning and this Law.

12. The established special land use conditions for a specific land parcel shall apply after their recording in the Real Property Register.

13. Land owners, trustees of the state-owned or municipal land, and users who fail to comply with the established special land use conditions shall be held liable under laws and shall compensate for the damage incurred by other persons, municipalities or the state. In such cases, the National Land Service shall represent the state, unless other laws provide otherwise.

14. The land owner, the trustee of the state-owned or municipal land or another user shall have the right to apply to the organiser of the territorial planning document or a landholding project or directly to court regarding compensation of losses in the court procedure regarding compensation of losses incurred due to the establishment of additional special land use conditions registered in the Real Property Register (except the cases when additional special land use conditions were established with a written consent of the land owner, the trustee of the state-owned or municipal land). The land owner, the trustee of the state-owned or municipal land or another user may address the organiser of the drafting of territorial planning documents or a landholding projects regarding compensation of losses not later than within one year after receiving the notification of the establishment of additional special land use conditions in respect of the land parcel. The amount of the losses incurred by the land owner, the trustee of the state-owned or municipal land or another user and the time limit for reimbursement thereof shall be settled by agreement between the organiser of the drafting of territorial planning documents or a landholding projects and the land owner, the trustee of the state-owned or municipal land or another user. Where the parties fail to reach an agreement, the disputes regarding the reimbursement of the losses shall be resolved by the court in accordance with the procedure established by the Code of Civil Procedure.

15. Compensation for the actual reduction in the profit to be received or restriction of previously performed activity as a result of applying the special land use conditions specified in the Law on Protected Areas shall be paid in accordance with the procedure established by the Government.

**Article 23. Land easements**

1. Land easement shall be established on the basis prescribed by the Civil Code. Cases and procedure for the establishment of easements by an administrative act shall be specified in this Article. The National Land Service shall set easements by the administrative act upon the decision of the head of the Service or the head of the territorial unit authorised by him.

2. The following easements shall be established by the administrative act and in accordance with the procedure established by the Government and the solutions of the territorial planning documents for:

1) the state-owned land parcels, which, on the basis of the territorial planning documents or landholding projects, are planned to be restored, transferred or gratuitously transferred into the ownership, are planned to be sold or transferred in any other way;

2) the state-owned land parcels, which, on the basis of the territorial planning documents or landholding projects, are planned to be leased or transferred for gratuitous use;

3) leased state-owned land parcels or those transferred for gratuitous use as well as municipal and private land parcels, where, under the territorial planning documents or landholding projects, the road easement grating the right for various transport means to have access or use it as a pedestrian path to reach cemeteries, recreational and other public territories and complexes and objects of natural and cultural heritage is established;

4) leased state-owned land parcels or those transferred for gratuitous use as well as municipal and private land parcels, where, under the territorial planning documents or landholding projects, the easement grating the right to build centralised (of public use) engineering infrastructure networks (underground and surface communications), roads and paths, to use and maintain them;

5) for state-owned, municipal and private land parcels, consolidated (reparcelled) in accordance with the land consolidation project.

3. A decision to establish an easement may not be adopted if, before the approval of territorial planning document, the owner of the object that will become the dominant one has not expressed his will about the necessity of the easement. The owner of the object that will become the dominant one shall express his will by submitting a request to the National Land Service regarding the establishment of the proposed easement on the basis of the drafted territorial planning document or landholding project. When it is proposed to establish an easement for leased state-owned land parcels or those transferred for gratuitous use as well as municipal and private land parcels to have a possibility of access to cemeteries, recreational and other public territories and complexes and objects of natural and cultural heritage, also for centralised (of public use) engineering infrastructure networks (underground and surface communications), for building roads and paths, to use and maintain them, a request regarding the establishment of an easement proposed in the territorial planning document or landholding project shall be submitted by the owners or subjects of the right of trust of the existing structures which need an access way; or, in cases when the recreational and other public territories and complexes and objects of natural and cultural heritage do not contain such structures, the request shall be submitted by the owners of land parcels located within these territories or by the trustees of the state-owned land; and, in cases when it is planned to build centralised (of public use) engineering infrastructure networks (underground and surface communications), roads and paths on the land parcel – by the client who ordered these works. When it is proposed to establish an easement as to have an access way to complexes and objects of natural and cultural heritage included in the list approved by the institution authorised by the Government, the will regarding the necessity of an easement shall be expressed by the state or municipal institution responsible for the protection of these complexes and objects. If the National Land Service is a trustee of the object that will become the dominant one, his will shall be expressed by taking a decision regarding the establishment of an easement.

4. The decision to establish an easeėment may be appealed against in accordance with the procedure set forth in the Law on Administrative Proceedings.

5. In cases when an easement is established by an administrative act, the institution shall take a decision to establish the easement and shall, within 10 days, send (hand in) the decision establishing the easement to the owners or trustees of the dominant and the servient objects.

6. An easement established by an administrative act shall be registered in the Real Property Register by the owner or trustee of the object that will become the dominant one, and also by the state or municipal institution responsible for the protection of complexes and objects of natural and cultural heritage included in the list approved by the institution authorised by the Government – when an easement to have an access way to these complexes and objects is established.

7. Losses incurred by the land owners and trustees of the state-owned land due to the established easements (except for the losses incurred by the land owners due to the easements that were established on the basis of transactions, when the losses are covered by agreement between the parties) must be reimbursed at the expense of the owner of the dominant object.

8. The land owner or trustee of the state-owned land shall have the right to apply for reimbursement for the losses incurred due to an easement registered in the Real Property Register to the owner of the dominant object, and when an easement to have an access way to the complexes and objects of natural and cultural heritage included in the list approved by the institution authorised by the Government is established - to the state or municipal institution responsible for the protection of these complexes and objects. The amount of the incurred losses and the time limit for reimbursement thereof shall be settled by agreement between the owners of the dominant and servient objects or the trustees of the state-owned land, and when an easement to have an access way to the complexes and objects of natural and cultural heritage included in the list approved by the institution authorised by the Government – by agreement between the state or municipal institution responsible for the protection of these complexes and objects and the owner of the servient object or the trustee of the state-owned land. Where the parties fail to reach an agreement, the disputes regarding the amount of the losses and the reimbursement thereof shall be resolved by the court in accordance with the procedure established by the Code of Civil Procedure. When the easement is established by an administrative act, the owner of servient object or the trustee of the state-owned land shall be reimbursed, in the amount of the market value, for the destroyed plantations, crops and cut forest as well as for the losses incurred due to the lost possibility to use the land parcel or a part thereof according to its principal purpose of land use, the method of its use. A lump sum or periodic compensation to be paid to the owner of the servient object or the trustee of the state-owned land for the use of the easement established by the administrative act shall be calculated in accordance with the procedure set by the Government, unless the laws provide otherwise.

9. The easement established on other grounds set out in the Civil Code shall expire when the institution which has adopted the decision to establish the easement shall decide to revoke such easement.

10. The trustees of the state-owned land shall have the right to enter into transactions regarding the easements of the state-owned land in such cases when the easement may not be established by an administrative act.

**Article 24. Procedure for the establishment and changing of the principal purpose of land use, the method of the use**

1. The principal purpose of land use and the method (s) shall be set when forming new land parcels in accordance with the procedure established by the Government. The principal purpose of land use and the method (s) shall be shall be changed at the request of the land owners, the trustees of the state-owned land or other subjects in the cases specified by laws on the basis of detailed or special territorial planning documents or landholding projects and in an urbanised area and a area being urbanised, for which detailed plans have not been prepared, a municipal-level comprehensive plan and/or a local-level comprehensive plan, if prepared.

2. The decision to change the principal purpose of land use and the method(s) of its use shall be adopted by the institution approving a detailed plan, a special planning document or a land holding project together with the decision to approve a detailed plan, a special planning document or a land holding project and in an urbanised area and an area being urbanised, for which detailed plans have not been prepared, the decision to change the principal purpose of land use and the method of its use in accordance with the municipal-level comprehensive plan and/or a local-level comprehensive plan, if prepared, shall be adopted by the director of the municipal administration. The terms and procedure for changing the principal purpose of land use and/or the method(s) of use shall be established by the Government.

3. When planting the forest in the land for agricultural purposes, the principal purpose of land use shall not be changed in cases specified by the Government or shall be changed on the basis of the territorial planning documents (landholding projects).

4. Pursuant to the decision to change the principal purpose of land use and also in cases when the method of the use of a land parcel is changed without changing the principal purpose of land use on the basis of the territorial planning documents or landholding projects, the value of a land parcel shall be re-calculated and the data of the Real Property Cadastre shall be updated and the entries in the

Real Property Register shall be amended upon the request of the land owner or the trustees of the state-owned land.

5. The principal purpose of use of a land parcel and also the method of the use shall be registered in the Real Property Register by entering the cadastral data of the land parcel into the Real Property Cadastre and by registering the land parcel in the Real Property Register in the manner prescribed by the Laws on Real Property Cadastre and on Real Property Register and their implementing legal acts.

6. The method of the use of a land parcel shall be established and changed in accordance with the territorial planning documents or landholding projects. Methods of the use of land specified in articles 25-29 of this Law shall be determined for land parcels. The Government or an institution authorised by it shall establish the content of the methods of the use of land.

**Article 25. Land for agricultural purposes**

1. Under the territorial planning documents or landholding projects, the land for agricultural purposes shall comprise the areas of land used or suitable to be used for the production of agricultural products, including the areas with dwelling houses and farm buildings, if they are not formed into separate land parcels, the yards and the land suitable for transforming it into agricultural land, the land areas with structures used for the activity related to the production of agricultural products, and also the forestry areas of a size set by the Government, in case they are not formed into separate land parcels, as well as other non-agricultural lands that are in between these land areas.

2. Agricultural land parcels shall be classified into the following types of parcels by their method of the use specified in the territorial planning documents or landholding projects:

1) land parcels of amateur gardens;

2) common use land parcels of garderners' societies;

3) land parcels for specialised gardening, floriculture, green-housing, arboretum and other land parcels for specialised farm holdings;

4) land parcels for recreational use;

5) other land parcels for agricultural purposes.

3. The land for agricultural purposes shall be managed according to the approved territorial planning documents or landholding projects taking into consideration the interests of the land owners, other users and the society: the boundaries of the existing agricultural landholdings shall be adjusted; new agricultural landholdings shall be formed; farmsteads and farm production facilities shall be built, roads with hard surface shall be laid; ponds shall be made; forests shall be planted; forests, marshes, shrubbery and other non-agricultural land shall be transformed into agricultural land. Without changing the principal purpose of land use, facilities may be constructed on agricultural land in cases and under conditions specified in other laws.

4. Maximum area of the state-owned land for agricultural purposes that may be conveyed into private ownership and also the maximum area of land for agricultural purposes permitted to be acquired into ownership for one person and the conditions of acquisition of such land shall be established by the Law on Land Reform and other laws.

5. In the cases specified by the Government, the land owner or the user of the state-owned land may afforest the land for agricultural purposes without changing the principal purpose of land use.

**Article 26. Land for forestry purposes**

1. Land designated for forestry purposes on the basis of the territorial planning documents or landholding projects shall comprise:

1) area covered with the forest (stands);

2) area not covered with the forest: cleared areas, perished stands, forest meadows, arboretum, nurseries, forest seed plantations, raw shrubbery and plantations;

3) land occupied by forest roads, sections, technological and fire-prevention strips, areas occupied by timber storage points and other facilities and equipment related to forest, leisure sites, game feeding points;

4) land designated for afforestation purposes;

5) other land use located in between the forest land, including agricultural lands that are not formed into separate land parcels.

2. Land parcels designated for forestry shall be classified into the following types of parcels by their method of the use specified in the territorial planning documents or landholding projects:

1) forest land parcels designated for the protection of eco-systems;

2) parcels of recreational forests;

3) parcels of protective forests;

4) parcels of commercial forests.

3. Users of the state-owned forest land shall use the state forestry resources and implement the measures for restoration, supervision and protection of the state-owned forests.

4. Restoration, protection and exploitation of forestry resources on forest land shall be established in the Law on Forestry.

5. Maximum area of the state-owned forest land that may be conveyed into private ownership and also the maximum area of land for forestry purposes permitted to be acquired into ownership for one person and the conditions of acquisition of such land shall be established by the Law on Land Reform and other laws.

**Article 27. Land for aquaculture purposes**

1. Land for aquaculture purposes shall comprise water bodies owned by the right of ownership by the State or other natural or legal persons and formed according to the territorial planning documents or landholding projects.

2. Land parcels designated for aquaculture purposes shall be classified into the following types of parcels by their method of the use specified in the territorial planning documents or landholding projects:

1) water bodies used for economic activity;

2) recreational water bodies;

3) water bodies designated for the protection of eco-systems;

4) public water bodies.

3. The Law on Water and the Law on Sea Protection shall regulate the use of water bodies.

**Article 28. Land for conservation purposes**

1. Land for conservation purposes shall comprise:

1) strict reserves and small strict reserves forming independent protected areas as well as areas that are part of the strict reserve zones of the state parks or areas of biosphere monitoring;

2) land parcels where objects of natural and cultural heritage protected by the state and municipalities where the economic activity not related with the special maintenance, management and protection of these objects and areas occupied by them is prohibited.

2. Land parcels that are classified into the following types of parcels by their method of the use specified in the territorial planning documents or landholding projects shall be considered as land for conservation purposes:

1) land parcels of natural strict reserves;

2) land parcels of objects of cultural heritage.

3. The procedure for the use and protection of land for conservation purposes shall be regulated by the Environmental Protection Law, the Law on Protected Areas, the Law on Protection of Real Cultural Properties and other laws.

**Article 29. Land for other purposes**

1. Land parcels that are classified into the following types of parcels by their method of the use specified in the territorial planning documents or landholding projects shall be considered as land for other purposes:

1) single-family or duplex residential building areas;

2) multi-apartment residential building and dormitory type building areas;

3) public areas;

4) areas for the construction of industrial and storage objects;

5) areas of commercial objects;

6) areas of communication network and engineering services objects;

7) areas of communication network and engineering services corridors;

8) recreational areas;

9) areas of common use (used by towns, townships and villages or municipalities);

10) areas for the exploitation of mineral resources;
11) areas for the purpose of national defence;
12) areas for storage, sorting and recovery of waste (landfills);
13) areas for the purpose of state border guarding;
14) separate green areas.
2. Use conditions of land for other purposes shall be established by laws and other legal acts.

## CHAPTER V
## LAND TRANSACTIONS

**Article 30. Requirements for land transactions**

1. The form of land transactions shall be established by the Civil Code and this Law. A land parcel plan must be attached to land transactions, and where the land parcel is leased or transferred for gratuitous use for a period up to three years – a land parcel plan or scheme. The land parcel plan or scheme shall make an inseparable part of the land transaction.

2. A land parcel plan or scheme shall be developed in accordance with the procedure established by an institution authorised by the Government pursuant to the territorial planning document or the landholding project, which was the basis for the formation of the land parcel.

3. Land parcels shall be merged, divided, partitioned or be subject to reparcelling by concluding a notarised agreement, except for the cases when a land parcel (parcels) owned by one person is being reparcelled observing the requirements and restrictions prescribed by the Civil Code, this Law and other laws. When merging land parcels, dividing a land parcel, partitioning a part of a land parcel in kind as well as carrying out reparcelling of land parcels, the plans of the formed land parcels drafted in accordance with the procedure established by an institution authorised by the Government must be enclosed to the agreement.

4. Where a land owner transfers a part of a land parcel, this land parcel may be divided before concluding the transfer agreement, the transferred part of the land parcel may be formed and registered with the Real Property Register as a separate land parcel or the ownership rights to a part of the land parcel may be conveyed without partitioning it. A land parcel shall not be divided in the cases when transferring a part of the land parcel the boundaries of the adjacent land parcels are adjusted by way of reparcelling, when transferring a part of the structure or facility the ownership right to this part of the land parcel necessary for the operation of this structure or facility is transferred as well, and also when the co-owner of the land parcel transfers the ownership right to a part of the jointly owned land or a part of the share in the joint ownership.

5. When the land parcels owned by the right of ownership by different persons are reparcelled by way of reparcelling, the ownership right to a part (parts) of the land parcel shall be transferred by concluding a notarised agreement on reparcelling of land parcels.

6. A co-owner may transfer the right of ownership to a part of a land parcel owned by joint ownership and necessary for the operation of a structure or facility, where this part is necessary for the operation of the structure or facility owned by him by the right of ownership, only together with the right of ownership to a part of the structure or facility (an apartment or any other premises).

7. When transferring an apartment or any other premises in a multi-apartment building, the right of ownership to a part of the land parcel owned by joint ownership and required for the operation of this apartment or any other premises within the multi-apartment building must be also transferred, if this part of the land parcel is owned by the right of ownership by the person who is transferring the apartment or any other premises.

8. When concluding an agreement on merging of the land parcels, the owners of the land parcels subject to merging must certify that the third persons have no rights to the land parcels subject to merging, except for the cases when the owners of the land parcels subject to merging agree to become co-owners of the land parcel to which the third persons have the rights registered with the Real Property Register. Owners of the land parcels under reparceling by way of merging, dividing, partitioning or those that are subject to reparcelling when concluding an agreement on merging, dividing, partitioning or reparcelling must notify thereof the third persons who have rights to the land parcels under reparceling that are registered in the Real Property Register.

9. Land parcels that are seized or those being an object of a court dispute may not be merged, divided, partitioned or reparcelled.

10. In case of transfer of a structure or facility located on a land parcel formed for the operation of this structure or facility and paid for in accordance with the procedure established by law, but the purchase and sale contract of the state-owned land has not been concluded, the person purchasing the structure or facility shall be entitled together with the right of ownership to the structure or facility to conclude the purchase and sale contract of the state-owned land necessary for the operation of the structure or facility, except for the persons who may not acquire the right of ownership to the land according to the laws. Along with the ownership right to the structure or facility, the transferor may transfer the right to set off the contributions paid for the land.

**Article 31. Pre-emption right to buy private land offered for sale**

1. Persons shall have the pre-emption right to buy private land, which is occupied by the structures and facilities owned by them by the right of ownership, and also the land that is necessary for using these objects according to their purpose, at a price that is offered for sale and under other equal conditions, except for the cases when the land is sold at a public auction.

2. The state, a municipality, other persons whose land parcels are assigned to the area of a land consolidation project, shall have the pre-emption right to buy a private land parcel located within this area at a price that is offered for sale and under other equal conditions, except for the cases when the land is sold at a public auction. The Rules for Development and Implementation of Land Consolidation Plans shall establish the procedure for exercising the pre-emption right.

3. The state shall have the pre-emption right to buy private land offered for sale and situated within the areas of state parks of conservation, ecological protection and recreation priority, and also in the state reserves and other protected areas having the status of *Natura 2000* under the same conditions and at a price agreed between the seller and the buyer. The price that the state may pay for private land parcels may not exceed the average market value of these land parcels estimated with the help of mass valuation performed in accordance with the procedure established by an institution authorised by the Government.

4. The land owner must notify about the decision to sell the land parcel and about the selling conditions by a registered mail (by handing in) the owner of the structures and facilities situated within the land parcel offered for sale referred to in paragraph 1 of this Article and, in the cases when the land parcel is offered for sale in the cases specified in paragraph 3 of this Article - the head of the territorial unit of the National Land Service according to the location of the land parcel. The owner of structures or facilities or the head of the National Land Service must take a decision to buy this land parcel or refuse to buy it within 30 days after the receipt of the notification. Where the owner of structures or facilities or the head of the National Land Service refuses to buy the land parcel notifying thereof in writing, or, in case they fail to take a decision within the specified period of time, the owner of private land may transfer the land parcel to other persons. If the entities specified in paragraphs 1 and 3 of this Article entitled to pre-emption right to buy the same land parcel sold decide in accordance with the procedure specified in this paragraph to buy such a land parcel, the land parcel shall be sold to the entity specified in paragraph 1 of this Article.

5. Other cases of the pre-emption right to buy private land may be established by other laws.

## CHAPTER VI
## LAND ADMINISTRATION

**Article 32. Remit of state, municipal institutions and the State Land Fund in regulation of land relations**

1. The Government shall:

1) in the cases and according to the procedure provided by laws, take decisions regarding the ownership of the state-owned land, land management, use and disposal of it and other issues related to the regulation of land relations;

2) develop rules for issuing qualification certificates of drafting of landholding documents, specify cases of and develop rules for suspension of such certificates, rules for revocation of suspension, and specify cases of and develop rules for revocation of certificates;

3) establish the procedure for the state supervision over the land use planning documents.

2. Institutions authorised by the Government shall:

1) draft and approve the working rules, methodologies and instructions for land management and administration, the Real Property Cadastre, and land information system;

2) within its remit draft and implement the national programmes on the implementation of the land reform, land use, optimisation of territorial use, land improvement, use of land resources and other programmes;

3) plan the activities funded from the national budget on the land use planning, forestry and land information system development, the Real Property Cadastre, the national accounting on land and shall control their performance, and also administer the funds allocated from the national budget and special programmes, including those from the European Union, for the performance of the aforementioned activities and control their use;

4) coordinate the state control of land use;

5) represent the State in proceedings regarding the revocation of the decisions related to the transfer, exchange, lease or transfer for gratuitous use of state-owned land that were adopted in contradiction to the requirements laid down in the laws and other legal acts, as well as acknowledgement as void of the land transactions concluded on the basis of these decisions and acknowledgement as void of the transactions concerning state-owned land where the other party fails to fulfil the terms and conditions of the transaction or their termination before the expiry date;

6) collect information on the land management, administration and land reform;

7) in cases provided for by laws, approve the land use planning documents of state-level;

8) perform other functions established by this Law and other laws.

3. The National Land Service:

1) implement the state policy in land management and administration, land reform, and land use planning;

2) perform the functions of a contractor of the land reform, administers funds of the state budget allocated for works of land reform, land management and administration, preparation of data on the state land fund, handling of land information system;

3) sell state-owned land parcels, except for state-owned land parcels assigned to real property belonging to the state or a municipality by the right of ownership to be sold in accordance with the procedure provided for by laws, and land parcels that are gratuitously transferred into the ownership of municipalities;

4) transfer for gratuitous use or lease the state-owned land parcels, except for the land parcels which can be leased or transferred for gratuitous use by other trustees of state-owned land as specified by this Law and other laws;

5) act on behalf of the State when acquiring private land into the state ownership, except for the cases where the manager of the state centrally managed assets acts on behalf of the State when acquiring private land into the state ownership for the purpose of renovating real state-owned property as specified in the Law on Management, Use and Disposal of State and Municipal Assets, and except for the cases specified in this Law, where the State Land Fund acts on behalf of the State when the State inherits the land and is acquiring private land into the state ownership;

6) in accordance with the procedure laid down by this Law and other legal acts, organise the drafting of the projects of land use planning schemes, land-use plans of land formation and rearangement, control the coordination of the planned activities related to changing of the status of land use and land use conditions with the solutions of land use planning documents;

7) approve the drafted land use planning documents, except for the land use planning schemes and land reparcelling projects prepared in the cases specified in Article 40 of this Law;

8) in cases and according to the procedure specified in this Law, consider applications regarding taking the land for public needs and adopt decisions to take the land for public needs;

9) organise and carry out state control of land use;

10) carry out state supervision of the land use planning documents;

11) in cases and in accordance with the procedure laid down by this Law, establish easements;

12) decide to form or rearrange state-owned land parcels designed in accordance with territorial planning documents or land holdings projects, in accordance with the procedure provided for in the laws provide data to the manager of the Real Property Register for registering of these land parcels, unless the applications for registration of state land parcels for real estate registry are provided by other statutory state-owned land trustees, also decide to rearrange the designed municipal or private land parcels according to the territorial planning documents or land holdings projects;

13) issue qualification certificates of drafting of landholding documents;

14) organize monitoring of the use of land resources;

15) perform other functions established by this Law and other laws.

4. Within the area of a municipality, the institutions of the municipality:

1) in accordance with the procedure provided for by laws and other legal acts, the municipal council shall approve the land use planning schemes prepared at the municipal level, and the director of the municipal administration shall approve the land use planning schemes prepared at the local level, and the land parcel formation and rearrangement projects - as specified in Article 40 of this Law;

2) the director of the municipal administration shall organise the drafting of the landholding schemes of the area of a municipality or a part of it and projects for rural development as well as in cases specified in this Law and the rules for the drafting of landholding projects, the drafting of the projects of land parcel formation and rearangement and taking land for public needs;

3) in accordance with with the procedure laid down in this Law and other legal acts, the municipal council shall lease or transfer for gratuitous use the sate-owned land parcels that were transferred to municipalities by the right of trust by resolutions of the Government;

4) in cases and in accordance with the procedure laid down by this Law, the municipal council shall submit to the National Land Service applications regarding the taking of private land parcels for public needs;

5) the municipal council or the director of the municipal administration shall solve the issues related to changing the principal specific purpose of land use in accordance with the procedure laid down by legal acts;

6) the municipal council or the director of the municipal administration authorised by the council shall submit proposals to the institution administering the funds allocated from the national budget and the European Union aid for agriculture and rural development concerning the allocation of these funds for the implementation of measures provided for in the planning documents;

7) the director of the municipal administration shall organise land use planning works improving the land use on the land parcels transferred by the right of trust;

8) perform the functions prescribed to them by other laws.

5. The State Land Fund shall:

1) compile data on the status of the land fund of the state, carries out monitoring of the land resources;

2) manage the land information system of the Republic of Lithuania;

3) according to the procedure established by the legal acts, implement facilities financed from the state budget as well as with the European Union funds that are improving the structure of agricultural holdings and absorbing abandoned land parcels;

4) organize the drafting of the land consolidation projects and implementation of their solutions in accordance with the procedure provided for by laws and other legal acts;

5) act on behalf of the State when the State inherits the land and the State acquires private land parcels into the state ownership which were assigned to the area of the land consolidation project, also when acquires private land parcels into the state ownership that are necessary for the implementation of the facilities funded from the state budget as well as with the European Union funds that are improving the structure of agricultural holdings and absorbing abandoned land parcels;

6) carry out selling and leasing of the the state-owned land parcels at an auction.

**Article 33. Objectives of land administration**

1. The following main objectives of land administration shall be as follows:

1) to plan the use of the land fund of the Republic of Lithuania and take decisions concerning the specification of boundaries of administrative units in line with the solutions of comprehensive plans;

2) to plan and implement the measures on territorial planning by creating favourable conditions for the development of competitive farm holdings, the development of rural infrastructure, and rational use of agricultural land, forests and other natural resources;

3) to plan and implement the measures aimed at ensuring environment protection and ecological stability of the landscape.

2. Decisions concerning land administration shall be taken and implemented on the basis of the territorial planning documents or landholding projects.

3. The arrangement of the planned structures and facilities in rural areas and changing of the structure of the land use shall be coordinated, in the manner established by the Government, with the solutions of land use planning documents.

**Article 34. Land information system**

1. The purpose of the land information system shall be to manage and provide information about the land fund of the Republic of Lithuania, the composition of land uses, the qualitative and quantitative properties of the land, land use requirements, other characteristics influencing the land use by using data on land contained in separate spatial data sets combined into one system.

2. The land information system shall be managed by the National Land Service and administrated by the State Land Fund.

3. The contents and extent, the procedure for recording, processing and provision of the land information system data shall be set in the approved regulations of the Land Information System.

**Article 35. Monitoring of the Use of land resources**

1. The main objective of the monitoring of land resources shall be to provide a systematic monitoring and analysis of and forecasts about the condition of the use of land resources in the country, to identify the changes caused by anthropogenic influence, to justify the measures for the rational land use and environment improvement, to evaluate the efficiency of land management and administration measures and to provide the necessary statistics on the use of land and the condition of land resources.

2. The monitoring of the use of land resources shall comprise:

1) monitoring of natural and anthropogenised land use and soil;

2) monitoring of the use and protection of agricultural land;

3) monitoring of reclamation status of the land use.

3. Monitoring of the land resources shall be organised by the National Land Service and implemented by the State Land Fund.

4. The condition of the land use and land cover shall be analysed on the basis of the latest cartographic and geoinformation material by using the data from the land information system, cadastres and registers of other natural resources, the integrated monitoring of environment and the material obtained during other types of monitoring.

5. The Government shall specify the periodicity, structure and contents of the monitoring of the use of land resources.

**Article 36. State control of land use**

1. The National Land Service shall organise and implement the state control of the land use in accordance with the regulations approved by the Government and an institution authorised by the Government shall coordinate the process.

2. The state control of the land use shall mean a systematic checking whether the persons using the land have not violated the procedure for the land use specified by laws and Government resolutions.

## CHAPTER VII
## LAND USE PLANNING

**Article 37. System of land use planning documents**

1. The system of land use planning documents shall comprise:

1) documents of land use special territorial planning;

2) land holding projects.

2. The following documents shall be attributed to documents of land use special territorial planning:

1) land use planning schemes;

2) land use planning projects for rural development.

3. According to the goals and objectives land holding projects shall be categorised into:

1) land use planning projects for the land reform;

2) projects of formation and rearangement of land parcels;

3) projects for taking the land for public needs;

4) land consolidation projects.

4. Land use planning schemes shall be developed in accordance with the general guidelines and priorities for the management of land use in rural settlements in accordance with the procedure laid down in Article 38 of this Law.

5. Land use planning projects for rural development shall be drafted in the manner established in Article 39 of this Law seeking to change the structure of a land use after a comprehensive planning, as well as afforestation and other activity related to agriculture and to form landholdings for entities engaged in agricultural and alternative activities.

6. Land use planning projects for the land reform shall be drafted in the cases and in accordance with the procedure laid down in the Law on Land Reform.

7. Projects of land formation and rearangement shall be drafted and implemented in the manner laid down in Article 40 of this Law and in the cases when the land parcels registered in the Real Property Register need to be divided, partitioned, merged or reparcelled, to change the principle purpose and/or the method of use, and also when forming new land parcels in the state-owned land.

8. Projects for taking of land for public needs shall be prepared and implemented in the cases and according to the procedure set forth in in Chapter VIII of this Law and the Law on the Taking of Land for Public Needs in Implementing Projects of Special National significance.

9. Land consolidation plans shall be drafted and implemented in the cases and in the manner laid down in Chapter IX of this Law.

10. The Government shall approve the rules for drafting and implementation of land consolidation plans and those for taking of land for public needs. The rules for drafting of the projects of documents of land use special territorial planning and land parcel formation and rearangement shall be approved by the Ministry of Agriculture together with the Ministry of Environment. The methodology for drafting of land-use projects of land reform shall be approved by the Ministry of Agriculture. Projects of taking of land of special national significance for public needs shall be prepared in accordance with the procedure provided for in the Law on the Taking of Land for Public Needs in Implementing Projects of Special National Significance.

11. Actions related to land use planning shall be carried out automatically through the information system of land use planning documents. The purpose of the information system for drafting of land use planning documents, its organisational, information, and functional structure, sources of accumulated data shall be set in the Regulations for the Information System for Drafting of Land Use Planning Documents .

**Article 38. Land use planning schemes**

1. The National Land Service shall organise drafting of land use planning schemes of the state level (a part of the state territory) upon request of the state and municipal institutions, and the director of the municipal administration - the landholding schemes of the area of a municipality or a part of it. When implementation of land use planning scheme requires changing or amending of the solutions of the comprehensive plan for the area of a municipality or a part of it, the approval of the municipal council must be obtained.

2. The following aspects may be stipulated in the land use planning schemes:

1) (repealed);

2) (repealed);

3) territorial zoning according to the economic activity trends, that are most in line with the natural and economic conditions, also planning the areas to be used for agricultural activity, the areas that are not favourable for farming, and the areas to be afforested;

4) localisation of the nature frame and the restrictions on economic activity related to the application of special conditions of land use and the implementation of the solutions specified in the comprehensive plans;

5) the need for the construction and reconstruction of land reclamation systems;

6) arrangement and extension of the network of roads of local significance;

7) prospective boundaries of agricultural landholdings.

3. Land use planning schemes shall be drafted in accordance with the procedure laid down in the Law on Territorial Planning.

**Article 39. Land use planning projects for rural Ddevelopment**

1. Land use planning projects for rural development according to the aim of preparation shall be categorised into:

1) rural development land use projects for afforesting other than a forest land;

2) rural development land use projects for reparcelling an agricultural holding;

3) rural development land use projects for choosing the construction site necessary for a farmstead and/or agricultural activities;

4) agricultural and rural development.

2. The director of the municipal administration shall organise drafting of the land use planning projects for rural development, and where a land use planning project for rural development is to be drafted for planning the land management activities for one agricultural landholding - it shall be organised by the owner of the private land or the trustee of the state-owned or municipal land.

3. Developers of the land use planning projects for rural development shall be selected in accordance with the procedure laid down in the Law on Public Procurement, except for cases when private land owners organise drafting of these plans.

4. Land Use Planning Projects for Rural Development shall provide:

1) landscape formation measures;

2) measures for protection and improvement of agricultural land;

3) the site of constructions necessary for agricultural activities;

4) boundaries of agricultural landholdings;

5) distribution of the main internal roads necessary for agricultural activity;

6) construction, reconstruction and repair of land reclamation structures;

7) land areas that are expedient for afforestation;

8) formation of parcels of agricultural land (agro-farming) having similar characteristics and recommendations on their use when the project is developed for management of the area of agricultural landholding.

5. The head of the National Land Service or the head of the territorial unit authorised by him shall approve the land use planning projects for rural development only after they are verified by the state supervisory institution of the land use planning documents in accordance with the established procedure.

6. The measures to support the agricultural and rural development stipulated in the Law on Agricultural and Rural Development must be in line with the solutions of the land use planning projects for rural development when they provide:

1) formation of competitive agricultural landholdings;

2) improvement of agricultural land;

3) afforestation, other landscape formation measures and protection of natural resources;

4) ecological farming;

5) development of rural infrastructure;

6) alternative agricultural activities.

**Article 40. Projects of formation and rearrangement of land parcels**

1. Projects of formation and rearangement of land parcels shall be prepared in the following cases:

1) when, in accordance with the regulations on the use of the area established in the detailed plan, new land parcels are formed or the boundaries of the existing land plots are adjusted in compliance with the principles of land parcel formation and/or reparcelling provided for in the detailed plan and the principle purpose or the method of land use is established or amended;

2) when the principle purpose and/or method of land use and are/is changed provided this is not in contradiction with the comprehensive plan of a municipality, except for the cases provided for by law, when the purpose of the land use may be changed without drafting of the land use planning documents;

3) when land parcels are formed for the purpose of operation of existing constructions and facilities according to their direct purpose entered in the Real Property Cadastre;

4) when land parcels are divided, partitioned, merged or reparcelled, except for the cases when this is forbidden by laws and other legal acts and the case specified in paragraph 9 of this Article;

5) when state-owned land parcels are formed for the purpose of operation of the existing traffic infrastructure, squares and other public spaces, cemeteries, beaches, parks, public gardens and other green areas as well as the territories occupied by cultural heritage objects;

6) when, in accordance with the procedure and in the cases established by the Government, an area of state-owned land is merged with an adjacent land parcel, where no land parcel of rational size and boundaries can be formed in the unoccupied state-owned land;

7) when new state-owned land parcels are formed, except for the cases where parcels are formed in accordance with the procedure laid down by the Law on the Land Reform.

2. Drafting of projects of formation and rearrangement of land parcels shall be organised by municipal administrations or the National Land Service.

3. The right to initiate drafting of projects of formation and rearrangement of land parcels shall have trustees of the state-owned land, owners of constructions next to which land parcels are formed, managers of common objects of the buildings, owners of private land or users of state-owned land, state and municipal institutions as well as other persons requesting and having the right to acquire or lease the state-owned land parcels without an auction or manage them by the right of trust.

4. Persons having the right to initiate drafting of projects of formation and rearrangement of land parcels shall submit applications to obtain a permit for drafting of projects of formation and rearrangement of land parcels to:

1) the head of the territorial unit of the National Land Service according to the location of the land parcel, when it is requested to draft projects of formation and rearrangement of land parcels in the territories of rural settlements with the exception of towns;

2) the municipal administration, when it is requested to draft of projects of formation and rearrangement of land parcels in the territories of cities and towns.

5. The procedure for financing, drafting, coordination, provision of information to the public and approval of the projects of formation and rearrangement of land parcels shall be set in the Rules for Drafting the Projects of Formation and Rearrangement of Land Parcels.

6. In the process of land reparcelling, the following requirements shall be observed:

1) only one land parcel may be formed for a structure or facility required for operating the structure or facility pursuant to their primary purpose indicated in the Real Property Register. Land parcels, which are formed for operating the structures or facilities, shall not be divided in kind, except for the cases when the land parcel is divided or a part from the common ownership is partitioned together with the subdivision of a structure or facility or partitioning of its part from the common ownership and a separate structure or facility is formed and the land parcel required for its operation may function as a separate object;

2) land areas with electricity transmission poles and other objects of engineering infrastructure shall not be formed as separate land parcels if a land parcel not exceeding 0.01 ha is required for their servicing. Restrictions on the use of such land shall be established in the manner prescribed by legal acts;

3) reparcelling of land shall be performed only in cases where it is impossible when changing a common boundary between the adjacent land parcels to form a land parcel of rational size.

7. A project on land reparcelling shall be considered and approved in accordance with the following procedure:

1) persons or the owners of the land plot who initiated drafting of the project must approve the project in writing;

2) the public shall be informed about the drafting of the project in accordance with the procedure of the Rules for Drafting the Projects of Formation and Rearrangement of Land Parcels;

3) the project must be coordinated in accordance with the procedure of the Rules for Drafting the Projects of Formation and Rearangement of Land Parcels;

4) draft projects for land formation and rearangement prepared in the territories of rural settlements with the exception of towns shall be approved by the head of the National Land Service or the head of the territorial unit authorised by him, and draft projects for land formation and rearangement prepared in the territories of cities and towns shall be approved by the director of the municipal administration in accordance with the procedure of the Rules for Drafting the Projects of Formation and Rearangement of Land Parcels.

8. After the approval of the project on land formation and rearangement, cadastral measurements shall be carried out in accordance with the procedure laid down in the Law on Real Property Cadastre.

9. Reparcelling of two land parcels that have a common boundary may be performed without a project on land formation and rearangement. The procedure and cases where land parcels are reparcelled without a project on reparcelling shall be specified in the Rules for Drafting the Projects of

Formation and Rearangement of Land Parcels. The head of the National Land Service or the head of the territorial unit authorised by him shall take a decision regarding the approval of areas and boundaries of the land parcels adjusted in the territories of rural settlements, with the exception of towns, by way of reparcelling on the basis of the land parcel plans agreed between the owners of the land, and the director of the municipal administration shall take the said decision in the territories of cities and towns.

10. Land parcels formed on the basis of a project on land formation and rearrangement as well as the rights in rem to them, the restrictions on these rights and legal facts prescribed by laws shall be registered in the Real Property Register in accordance with the procedure laid down in the Law on Real Property Register. Cadastral data on formed land parcels shall be recorded in the Real Property Cadastre in accordance with the procedure laid down in the Law on Real Property Cadastre.

**Article 41. Persons drafting and implementing the land use planning documents, their rights and duties**

1. Land use planning documents may be prepared by the nationals of another European Union Member State or a state of the European Economic Area (hereinafter: the ‘Member State’), other natural persons who enjoy the right of free movement in the European Union Member States, other organisations or divisions thereof. Nationals of Member States, other natural persons benefiting from the rights of free movement granted to them by the European Union legal acts and holding qualification certificates of drafting of landholding documents (hereinafter: a 'qualification certificate') issued to them in accordance with the set procedure or holding qualification certificates or other documents issued by another Member State proving that they have the right to draft landholding documents may draft land use planning documents, and the rural development land use projects and the projects of land parcel formation and rearrangement may be prepared by the drafters of documents of complex territorial planning as specified in the Law on Territorial Planning. Legal persons or other organizations established in a Member State, or their branches may draft land use planning documents, in case their specialist working under an employment contract or a civil contract and drafting land use documents holds a qualification certificate issued in accordance with the set procedure or a qualification certificate issued by another Member State or another document proving that he has the right to draft land use planning documents. In case when a national of a Member State, another natural person who exercises the rights of movement in the Member States or a specialist (hereinafter: 'persons') of legal persons or other organisations or their establishments in the Member States holds a qualification certificate issued by a competent authority of another Member State or another document proving that he has the right to draft land use planning documents, the requirement to receive such certificate anew shall not be applied.

2. The Government shall approve the Rules for Issuance of Qualification Certificates. Qualification certificates shall be issued not later than within 30 calendar days from the submitting all the documents necessary to be issued a qualification certificate. If no response is given to a properly filed application for the issue of a qualification certificate within the time limit set in this paragraph, it shall be deemed that a certificate has been issued.

3. Qualification certificates shall be issued for an indefinite period to the persons specified in paragraph 1 of this Article who meet the following qualification requirements:

1) persons drafting the land use schemes must have acquired higher education in the land use planning, geography or landscape, a record of five years of experience in the drafting of the landholding schemes, projects for rural development or land holding projects calculating from the moment when persons started working in these areas, passed the relevant professional aptitude test related to the drafting of land use planning documents;

2) persons drafting the rural development land use projects, projects of formation and rearrangement of land parcels, projects for taking the land for public needs, land consolidation projects must have acquired higher education in the land use planning, landscape, geodesy or hydro-technology, record of three years of experience in the drafting of the landholding projects, projects for rural development or land holding projects calculating from the moment when persons started working in these areas, passed the relevant professional aptitude test related to the drafting of land use planning documents.

4. A professional aptitude test related to the drafting of land use planning documents shall be organised in accordance with the procedure provided for by the Government.

5. *Repealed as of 1 May 2016*

6. Persons who have obtained the qualification certificates must improve their qualifications every three years at qualification improvement courses under the programmes approved by the institution authorised by the Government.

7. In case the institution authorised by the Government establishes that the holder of qualification certificate has committed a violation that is not regarded as a gross violation, the person shall be warned to remove the violation not later than within 20 working days from the receipt of the warning and provide documents proving the removal of the violation. A violation of the laws and other legal acts governing the drafting of land use planning documents which has not resulted in damage to third parties and which can be removed by the holder of the qualification certificate himself shall be regarded as not a gross violation. Validity of the qualification certificate shall be suspended for three months in case the holder of the qualification does not provide documents proving the removal of the violation by the end of the term when violations had to be removed.

8. After the qualification certificate holder provides documents proving the elimination of the violations due to which the qualification certificate has been suspended, the suspension of the qualification certificate shall be lifted not later than within five working days from the submitting of these documents.

9. The cases of suspension of qualification certificates as well as the Rules for Suspension, Revocation of Suspension of Qualification Certificates shall be approved by the Government.

10. A qualification certificate shall be withdrawn if:

1) the persons, in drafting land use planning documents, has grossly violated requirements of the laws and other legal acts governing the drafting of land use planning documents. A violation of the laws and other legal acts governing the drafting of land use planning documents which has resulted or could have resulted in damage to third parties, shall be regarded as a gross violation;

2) the persons drafting land use planning documents have committed a violation not regarded as a gross violation twice or more frequently per year. In such case, the qualification certificate shall be revoked irrespective of whether the certificate was suspended or not;

3) after the suspension of the qualification certificate, the person continues the activities;

4) after the suspension of the qualification certificate, the holder of the qualification certificate does not remove identified violations within a set time limit, due to which the validity of the qualification certificate was suspended;

5) the person has failed, within the prescribed time limit, to submit the requested documents and/or data required for investigating information on the violations committed by him;

6) the holder of the qualification certificate has not improved his qualification in accordance with paragraph 6 of this Article;

7) it transpires that the qualification holder has submitted false data with a view to obtaining the qualification certificate;

8) the holder of the qualification certificate requests so;

9) the holder of the qualification certificate died.

11. The Government shall approve the Rules for Revocation of Qualification Certificates.

12. Upon revocation of the qualification certificate, persons specified in paragraph 1 of this Article may apply for the issuance of a new qualification certificate not earlier than after two years, with the exception of the cases specified in points 6 and 8 of paragraph 10 of this Article, when the application for the issuance of a new qualification certificate may be submitted before the expiry of the period of two years.

13. Land holding projects shall be implemented by the persons holding qualification certificates of land surveyors and expert land surveyors issued in accordance with the procedure provided for in the Law on the Real Property Cadastre.

14. Persons drafting and implementing the land use planning documents shall have the right:

1) having informed the land owner or another user, to walk or drive without causing a damage, to measure and, if necessary, to fix landmarks, to investigate the soil in the areas, for which the land use planning documents are drafted, if this is required for drafting or specifying the cartographic data or the data for the land information system and for performing cadastral measurements of land parcels. The land owner or another user must be informed in writing about the intended land use planning activities and the time of performance thereof five working days before the commencement of the intended activities, and these activities may be performed in the private land only after receiving the consent of the land owner or another user. Such consent is not required when projects for taking the land for public needs are being drafted;

2) in the manner prescribed by legal acts, to receive from the state enterprises and state and municipal institutions the necessary territorial planning documents or copies thereof, and also the data from the Real Property Cadastre and Real Property Register and geo-referential data.

15. The list of persons who are drafting land use planning documents and are subject to an effective service-related penalty shall be made public on the website of the institution issuing their qualification certificates.

**Article 42. Funding of land use planning activities**

1. Drafting of the land use planning schemes may be funded from the state and municipal budgets, if they are required for the implementation of the goals specified in the Law on Agricultural and Rural Development.

2. Projects of formation and rearrangement of land parcels of the state-owned and municipal land shall be drafted at the expenses of the organisers of the project. Projects of formation and rearrangement of land parcels of the state-owned land shall be drafted at the expenses of the persons using or willing to acquire the land parcels or willing to use these land parcels in cases specified by the Government. Projects of formation and rearrangement of land parcels of private land shall be prepared at the expenses of the owners of the land parcels.

3. Projects for taking the land for public needs shall be drafted upon the order of the state or municipal institutions or establishments that are interested in taking the land for public needs and from the budgetary funds allocated for these institutions.

4. Drafting of the land consolidation plans shall be funded from the state budget as well as from the European Union funds.

5. Drafting of the land use planning projects for rural development shall be funded by the organisers of these projects. These projects may be also funded from the European Union funds.

**Article 43. State supervision of the land use planning documents**

1. State supervision of the land use planning documents shall comprise the control of the procedures for drafting, co-ordination and consideration of these documents as well as verification of the solutions in accordance with the requirements of legal acts.

2. The Government shall establish the procedure for state supervision of the land use planning documents.

3. State supervision of the land use planning documents shall be performed by the National Land Service.

**Article 44. Investigation of disputes regarding the taken decisions related to the land management and compensation for the damage incurred due to improperly drafted or implemented land use planning documents**

1. Disputes regarding the decisions taken by state and municipal institutions related to land management shall be investigated in accordance with the procedure laid down in the Law on Administrative Proceedings.

2. Developers of the land use planning documents must compensate the land owner or another user for the damage incurred due to their illegal actions when drafting and implementing the land use planning document in accordance with the procedure laid down in laws and/or in the agreement on drafting and implementation of a land use planning document. Damage incurred due to the actions of the state institutions when drafting or implementing the land use planning documents shall be compensated by the State. Damage incurred due to the actions of municipal institutions when drafting or implementing the land use planning documents shall be compensated by a municipality.

3. The land owner or another user may apply for compensation for damage incurred due to the actions of a state or a municipal institution when drafting and implementing the land use planning documents to the institution that has taken the decision to approve the land use planning document, or shall have the right to claim damages in the court proceedings. A person must apply to the institution that has taken the decision to approve the land use planning documents not later than within one month after the day he found out about the occurrence of the damage. Disputes regarding the amount of and compensation for damage shall be settled in court in the manner prescribed by law.

## CHAPTER VIII
## TAKING OF LAND FOR PUBLIC NEEDS

**Article 45. Cases of taking of land for public needs**

1. Land may be taken from private land owners for public needs and a lease or land for use contract of private land shall be terminated or a lease or land for use contract of state-owned land shall be terminated for this purpose before their expiry only in exceptional cases by the decision of the National Land Service following the request submitted by a state institution or the municipal council where the land, pursuant to special territorial planning documents and the detailed plans drafted in accordance with the procedure laid down in the Law on Territorial Planning, in order to satisfy public interests, is required for:

1) the implementation by the State of economic projects of state significance whose significance for public needs is recognised by the Seimas or the Government by its decision;

2) national defence and guarding of the state border;

3) international airports, state airports, state ports and their facilities;

4) public railway infrastructure objects and roads, pipe lines, and high voltage transmission lines as well as for engineering structures required for their operation and used for public needs;

5) the development of social infrastructure, the construction (installation) and operation of educational, scientific, cultural, health protection and health care, environment protection, social protection, ensuring of public order, and physical training and sports development objects;

6) the exploitation of the explored mineral resources;

7) the construction (equipment) and operation of objects used for management of municipal waste (landfills);

8) the construction and exploitation of cemeteries and objects required for ensuring their maintenance;

9) the protection of the territorial complexes and objects (properties) of natural and cultural heritage.

2. A reasoned justification for a specific location and area for the construction (equipment) of a specific object required for public needs shall be presented together with the detailed plan or the special territorial planning document. A reasoned justification for a specific location and area may be part of the detailed plan or the special territorial planning document or may be drafted as a separate document to be submitted together with the detailed plan or the special territorial planning document.

3. Upon the proposal by the Government, the Seimas may recognise a certain project in the field of energy infrastructure, transport infrastructure, or national defence as a project of special national significance. In case the land is required for implementation of projects of special national significance, the Law on the Taking of Land for Public Needs in Implementing Projects of Special National significance shall be applied. In such cases, the provisions of this Chapter implementing them and accompanying legal acts shall not apply.

**Article 46. Procedure for taking of land for public needs**

1. When submitting an application regarding taking the land for public needs to the territorial unit of the National Land Service according to the location of the land parcel, the state institution or municipal council must give a justification that there objectively exists a specific public need and that it cannot be satisfied without taking of a specific land parcel as well as indicate specific goals for which the land taken for public needs is intended to be used. In order to obtain justification that there objectively exists a specific public need and that it cannot be satisfied without taking of a specific land parcel, the institution interested in taking of land must perform the analysis of the cost-effectiveness in accordance with the procedure set by the Government. The application for taking of the land for public needs must be based on the results of this analysis as well as the principles of public benefit, efficiency and rationality. A state institution or municipal council, when submitting an application for taking of the land for public needs, shall also inform in writing the owner of the land and/or another user about the submission of such application and indicate specific goals for which the land taken for public needs is intended to be used.

2. When a territorial unit of the National Land Service analyses the application for taking of the land for public needs submitted by a state institution or municipal council within 30 calendar days of the receipt of the application for taking of the land for public needs, the head of the National Land Service shall take a decision to start the procedure for taking of land provided that:

1) justification is submited that there objectively exists a specific public need which is based on the analysis of the cost-effectiveness as well as the principles of public benefit, efficiency and rationality, and

2) there is a valid special territorial planning document or the detailed plan which indicates that there objectively exists a specific public need and a justification is given that this public need cannot be satisfied without taking of a specific land parcel, based on the analysis of the cost-effectiveness as well as the principles of public benefit, efficiency and rationality.

3. The head of the National Land Service may take the decision to start a procedure for taking of land for public needs without an application from a state institution or a municipal council in cases where taking of land for public needs is necessary for direct implementation of the laws which provide for a particular public need for which a land plot of a certain size located in a certain place is taken, also in cases when the National Land Service is the Government authorised institution interested in taking of land. Where the land is necessary for direct implementation of the law which provides for a specific public need for which a land plot of a certain size located in a certain place is taken of , this law must specify the institution interested in taking of land for public needs. Where the National Land Service is an institution interested in taking of land, the decision to start a procedure for taking of land for public needs shall be taken provided the conditions set in points 1 and 2 of paragraph 2 of this Article are satisfied.

4. The rules for filing and considering the applications for taking of land for public needs submitted by the state institutions and municipal councils as well as the rules for the initiation of procedures of taking the land for public needs when directly implementing the laws which provide for a particular public need for which a land plot of a certain size located in a certain place shall be established by the Government.

5. The institution interested in taking of the land parcel shall be informed about the decision of the head of the National Land Service within five working days from its adoption. In case a decision is taken to start the procedure of taking of land for public needs, the owner and/or another user of a land parcel that is to be taken for public needs is informed about that in a registered letter delivered in person against his signature. Where it is not possible to service/submit the registered letter to the owner and/or another user of the land parcel to be taken for public needs, the territorial unit of the National Land Service within the period of five days after it becomes certain that the delivery of the registered letter to the owner and/or another user of the land has failed, the decision to start the procedure of taking of land for public needs shall be made public in one of the national papers and one of the local papers (provided such paper is published) depending on the location of the land parcel. This way of informing shall also be applied when the place of residence of the owner and/or another user of the land parcel to be taken for public needs is unknown. Information about the decision to start the procedure of taking the land for public needs is also made public on the website of the National Land Service. The published information contains: The date and the number of the decision of the head of the National Land Service to start the procedure of taking the land for public needs; cadastral number of the land parcel which or a part of which is to be taken for public needs; the address: the municipality, the town or the village, the street, the number, the owner (co-owners) and/or other users, holders of rights in rem (if applicable). In case the information about the decision to start the procedure of taking of land for public needs is made public in one made public in one of the national papers and one of the local papers depending on the location of the land parcel, it shall be considered that the owner of the land and/or another user is informed about the decision to start the procedure of taking of land for public needs on the date of making the announcement in one of the national papers. The decision to start the procedure of taking of land for public needs shall be immediately, but no later than the next working day, communicated to the manager of the Real Property Register who shall, in accordance with the regulations of the Real Property Register, record this legal fact in the the Real Property Register. From the moment of the registration of the decision to start the procedure of taking of the land parcel for public needs in the Real Property Register, the owner of the land parcel shall have no right to transfer, pledge, or otherwise restrict the rights in rem to this land parcel, also shall have no right to rearrange this land parcel (partition, divide, redivide, merge).

6. The decision of the head of the National Land Service to start the procedure of taking of land for public needs or not to start it may be appealed to the administrative court in accordance with the procedure established by the Law on the Administrative Proceedings. Such an appeal may be considered within 45 calendar days from the admission thereof , and an appeal against a decision of the administrative court of first instance - within 45 calendar days from the day of admission thereof.

When several appeals regarding the decision to start or not to start the procedure of taking of land for public needs have been received, the court must join these appeals into a single case and consider it within 45 calendar days from joining of the appeals. If the court passes a decision that there objectively exists a specific public need and that it cannot be satisfied without taking of a specific land parcel or a part of it or if the decision to start the procedure of taking of land for public needs has not been appealed against, the existence of a specific public need cannot be subject to appeal at a later stage of the procedure of taking of land for public needs.

7. When the head of the National Land Service takes a decision to start the procedure of taking of land for public needs and the term of appeal of this decision expires, and in case such decision was appealed, the administrative court decision to dismiss the appeal regarding the decision of the head of the National Land Service to start the procedure of taking of land for public needs becomes effective, a project for taking of land for public needs or a plan of the land parcel to be taken for public needs shall be drafted in accordance with the procedure and in cases established in Article 48 of this Law or valuation of land to be taken for public needs or other property shall be performed and the property valuation report shall be drawn in accordance with the procedure established in Article 47(1) of this Law. The area of unoccupied neighbouring state-owned land adjacent to the land parcel to be taken for public needs shall be included into the area of the project for taking of land for public needs where in accordance with the legal acts instead of the land parcel to be taken for public needs another land parcel may be formed and given into the ownership. Where necessary, the division of private and/or state-owned land shall be carried out in the course of drafting the project by forming a separate land parcel to be taken for public needs. These land use works shall be carried out in accordance with the procedure established in Article 48 of this Law. The territorial unit of the National Land Service shall submit data about the land parcels formed after the division to the manager of the Real Property Register when the owner of the land parcel and/or another user is informed about that by registered mail upon written acknowledgement, and where it is not possible to service/submit the registered letter to the owner and/or another user of the land parcel to be taken for public needs, the territorial unit of the National Land Service within the period of five days after it becomes certain that the delivery of the registered letter to the owner and/or another user of the land has failed or when the place of residence of the owner and/or another user of the land parcel to be taken for public needs is unknown, the data about the decision to start the procedure of taking of land for public needs shall be made public in one of the local papers (provided such paper is published). In case the division of the land parcel to be taken for public needs is made public in one of the national and one of the local papers depending on the location of the land parcel, it shall be considered that the owner or another user of land are informed about the decision to divide the land parcel to be taken for public needs on the day of the announcement in one of the national papers. The territorial unit of the National Land Service shall register the land parcels formed after the division in the Real Property Register in the name of the owner of the divided land parcel. The note on the legal fact, i.e. the initiated procedure of taking of the land parcel for public needs, shall be made in the Real Property Register regarding the land parcel to be taken for public needs only.

8. In case the actions specified in paragraph 7 of this Article are instituted the owner and/or another user of land shall be submitted a proposal for an agreement regarding taking of land for public needs and compensation for it. The head of the National Land Service takes a decision to start the procedure of taking of land for public needs in accordance with the approved project of taking of land for public needs or in accordance with the plan of the land parcel to be taken for public needs or an agreement for compensation for the land to be taken for public needs that is concluded between the owner of a private land and/or another user and the institution that submitted the application regarding taking of land for public purposes, or in accordance with the draft project of taking of land for public needs only, or the plan of the land parcel to be taken for public needs and the property valuation report, if the agreement regarding taking of land for public needs and compensation for it is not concluded. The value of the land parcel to be taken, the losses related to taking of land calculated in accordance with the procedure specified in Article 47 of this Law and the manner of compensation shall be stipulated in the decision concerning taking of land for public needs. This decision shall, within five working days after taking it, be sent to the institution which is interested in taking of the land parcel and, by registered mail upon written acknowledgement, to the land owner and/or another user as well as the manager of the Real Property Register, and where it is not possible to service/submit the registered letter to the owner and/or another user of the land parcel to be taken for public needs, the territorial unit of the National Land Service within the period of five days after it

becomes certain that the delivery of the registered letter to the owner and/or another user of the land has failed, the decision to take of land for public needs shall be made public in one of the national and local papers depending on the location of the land parcel (provided such paper is published). This way of informing shall also be applied when the place of residence of the owner and/or another user of the land parcel to be taken for public needs is unknown. The published information contains: the date and number of the decision of the head of the National Land Service to take the land for public needs; the cadastrial number and area (in case a part of the land parcel is taken - the area of the land plot formed after the land plot rearrangement); the address: the municipality, the town or the village, the street, the number, the owner (co-owners) and/or other users, holders of rights in rem (if applicable). In case the information about the decision to take land for public needs is made public in one of the national papers and one of the local papers depending on the location of the land parcel, it shall be considered that the owner of the land and/or another user is informed about the decision to take land for public needs on the date of making the announcement in one of the national papers.

9. Disputes regarding a project of taking of land for public needs or the drafting and approval of the plan for taking of land for public needs, as well as regarding calculation of the amount of compensation for land to be taken for public needs shall be heard at a regional court of general jurisdiction according to the location of the land parcel to be taken for public needs. When the head of the National Land Service takes a decision to take land for public needs and the interested institution appeals to court in accordance with the procedure established in Article 47(5) of this Law regarding the permission to take the land parcel in accordance with the adopted decision regarding taking of land for public needs, these disputes shall be heard in an adversarial procedure.

**Article 47. Compensation for land taken for public needs**

1. In case a private land parcel is taken for public needs, the land owner and/or another user must receive a fair compensation in cash amounting to the market price, or, upon a written agreement of the owner of the land, he is given a parcel of a state-owned land adjacent to the taken land parcel for public needs, and also the value of plants within this land parcel taken for public needs, the volume of timber, the lost harvest and invested funds for growing of agricultural production and afforestation, the amount of losses that were incurred due to taking of the land parcel for public needs as well as structures and facilities constructed or being constructed on that parcel, and the plants growing therein for public needs shall be compensated to the land owner or another user. The value of the taken land parcel shall be estimated in accordance with the principal purpose of land use and the method established before making a note in the Real Property Register about the started procedure of taking of land for public needs by applying the individual valuation of the property specified in the Law on Basics of Property and Business Valuation, and the property valuation method shall be selected with regard to the criteria set by the Government. The market value of plants within this parcel, the volume of timber, the lost harvest and invested funds for growing of agricultural production and afforestation as well as the given state-owned land parcel shall be calculated by applying the individual valuation of the property specified in the Law on Basics of Property and Business Valuation, and the property valuation method shall be selected with regard to the criteria set by the Government. If the land parcel to be taken for public needs is occupied with constructed structures or facilities or with those in the process of construction, the owners of the structures shall receive compensation in cash for the structures owned by the right of ownership and constructed on the parcel, or for those being constructed thereon, where the compensation shall amount to the individual valuation of the property specified in the Law on Basics of Property and Business Valuation, and the property valuation method shall be selected with regard to the criteria set by the Government. In case a land parcel, where economic and commercial activities are carried out, is taken for public needs, the land owner and/or another user must receive compensation for termination or suspension of economic and commercial activities on the land parcel to be taken for public needs and the amount of these losses shall be calculated according to the individual valuation of the property specified in the Law on Basics of Property and Business Valuation, and the property valuation method shall be selected with regard to the criteria set by the Government. When calculating the market value of the land parcel to be taken for public needs, the structures and facilities on it, consideration must be given to the price change of the land parcels falling under the same value area on the land value maps, of transactions of structures and facilities concluded from the approval of the territorial planning documents, where particular public needs are indicated, until the preparation of property valuation report, as well as to the price

change of the indicated immovable items. The institution interested in taking of land for public interests shall commission valuation of property and pay for property valuation works.

2. Not later than within five working days after the preparation of the property valuation report, the institution which is interested in taking of land shall by registered mail upon written acknowledgement send to the owner and/or another user of the land parcel to be taken for public needs a draft agreement regarding taking of land for public interests and compensation for it where compensation method, market value of the property to be taken for public needs and other property, the amount of other losses related to taking of the land parcel for public needs and compensation terms and procedure shall be indicated together with proposal to conclude this agreement. This proposal shall also include information related to the access to the valuation report of the property to be taken for public needs. Where it is not possible to hand in the registered letter to the owner and/or another user of the land parcel to be taken for public needs, the decision to start the procedure of taking of land for public needs shall be made public in one of the national papers and one of the local papers (provided such paper is published) depending on the location of the land parcel within five working days after the institution interested in taking the land for public needs has ascertained that the delivery of the registered letter to the owner and/or another user of the land failed. This way of informing shall also be applied when the place of residence of the owner and/or another user of the land parcel to be taken for public needs is unknown. The information published shall include: the cadastrial number and area of a land parcel or a part of it which is taken for public needs (in case a part of the land parcel is taken - the area of the land plot formed after the land plot rearrangement); the address: the municipality, the town or the village, the street, the number; the owner (co-owners) and/or other users, holders of rights in rem (if applicable), as well as a draft agreement regarding taking of land for public interests and compensation for it and the valuation report of the property to be taken for public needs. A method of compensation - granting of another land parcel adjacent to the land parcel which is taken - shall be offered for the land owner in case the area of unoccupied neighbouring state-owned land which is adjacent to the taken land parcel shall be included into the area of the project for taking of land for public needs. The proposal sent to another land user shall indicate only one method of compensation - compensation in cash. The land owner and/or another user must inform within 30 calendar days of the receipt of a proposal in writing the institution interèsted in taking of land about the consent or refusal to conclude the agreement. In case the information about the proposal to conclude the agreement regarding taking of land for public needs and compensation for it is made public in one of the national papers and one of the local papers depending on the location of the land parcel, it shall be considered that the owner of the land and/or another user is informed about the proposal to conclude the agreement regarding taking of land for public needs on the date of making the announcement in one of the national papers. In case the land owner and/or another land user expresses consent with the agreement conditions, the institution interested in the taking of land for public needs, the owner of land, and/or other users (if relevant) shall conclude the agreement regarding taking of land for public needs and compensation for it. In case the land owner and/or another user within a time limit indicated does not give an answer regarding the proposal, it shall be regarded as a disagreement with the conditions of the agreement.

3. In case the land parcel is taken for public needs and the structures or facilities on it are pledged, then the agreement regarding taking of land for public needs must include additional agreements of the institution interested in taking of land, the owner of the property and the creditor. In case there is a written agreement of the creditor to discharge the pledge (mortgage), such agreement or its annex must include the conditions under which the pledge mortgage of the property to be taken for public needs is discharged. If the creditor does not agree with the compensation amount and/or conditions for coverage of his claim, the agreement regarding taking of the land for public needs shall not be concluded. In such case a dispute arises between the institution interested in taking of land for public needs and the creditor which shall be resolved according the procedure established in paragraphs 5-8 of the Article.

4. If the owner of the land agrees with the compensation set in the valuation report and decides on the method of compensation that is granting another land parcel adjacent to the land parcel to be taken for public needs, a land parcel shall be formed in the draft project of taking of land for public needs in accordance with the market value of the land parcel to be taken for public needs which must be of the same or lower value compared to the land parcel to be taken for public needs. When the land parcel is formed, the agreement is concluded regarding taking of land for public needs and compensation for it. In case value of the formed land parcel is lower than the value of the taken land

parcel established in the valuation report, the difference between the land parcel values shall be compensated in cash. The Government shall establish the maximum area of the land parcel to be granted into the ownership, the procedure of formation and granting the land plot. The land parcel which is meant as the compensation for the taken of land parcel shall be formed on the state land which is not planned to be returned in kind according to the laws regulating the restoration of ownership rights of citizens to the existing real property. The head of the National Land Service shall take the decision to grant the state-owned land parcel adjacent to the land parcel that is taken for public needs together with the decision to take land for public needs. If the owner of land disagrees with the size and/or borders of the land parcel during any formation stage of the land parcel adjacent to the land parcel to be taken for public needs, the formation procedure shall be terminated. When the owner of land agrees with compensation for the land parcel to be taken for public needs in cash, the agreement shall be concluded regarding taking of land for public needs and compensation for it.

5. In case the agreement regarding taking of land for public needs and remuneration for it is not concluded, it shall be considered that a dispute arises between the institution interested in taking of land and the owner of land and/or another user, and the institution which submitted an application to take land for public needs must within 60 calender days after the receipt of the decision to take land for public needs apply to court for permission to take land for public needs according to the adopted decision to take land for public needs. The institution interested in taking of land for public needs shall be exempted from stamp duty. Before applying to court, the institution interested in taking of land shall transfer the remuneration amount indicated in the decision to take land for public needs into the deposit account of a public notary, bank or another credit institution.

6. The court having received the application of the institution interested in taking of land for public needs specified in paragraph 5 of this Article shall establish a term not shorter than 14 days and not longer than 30 days for the owner of the land and/or another user who refused to conclude the agreement regarding taking of land for public needs and compensation for it for providing a written statement to the application of the institution. The court not later than during seven days after the receipt of clarifications submitted by the owner and/or another user who refused to conclude the agreement regarding taking of land for public needs and compensation for it or the end of the term for submission of such clarifications shall make a ruling and solve the issue whether it is permitted to register the land parcel taken of for public needs and the constructions and facilities on it in the Real Property Register in the state ownership and start using this land parcel for the purposes indicated in the decision to take of land for public needs. The court refuses to allow to register the land parcel taken of for public needs in the state ownership and start using it for the purposes indicated in the decision to take land for public needs upon the existence of one of the following conditions:

1) the institution interested in taking of land does not prove the importance of the immediate use of the land parcel taken for public needs;

2) the property valuation report has not been prepared;

3) the institution interested in taking of land for public needs has not transferred the remuneration amount indicated in the decision to take land for public needs into the deposit account of a public notary, bank or another credit institution.

7. When the court ruling regarding permission to register the land parcel taken for public needs in the state ownership and start using it for the purposes indicated in the decision to take land for public needs becomes effective, the land owner becomes the owner of cash that the institution interested in taking land for public needs has transferred the remuneration amount indicated in the decision to take land for public needs into the deposit account of a public notary, bank or another credit institution and acquires the right to dispose this amount without any limitation.

8. Having adopted the ruling specified in paragraph 6 of this Article, the court further examines the dispute as to the substance of the matter. In case the court establishes another value of the land parcel or other property to be taken and another amount of losses incurred by the property owners and/or other users than established in the decision regarding taking of land for public needs, the compensation for the land taken for public needs shall be paid in accordance with the conditions established in the court ruling.

9. Where the state-owned land that has been leased or transferred for gratuitous use is intended to be used for public needs, the lease contract or the contract of loan for use of the state-owned land shall terminated before it expires and the value of the structures and plantations located on the land parcel and the losses incurred by the lessees or other users of the land due to taking the land for public needs shall be reimbursed in accordance with this Article.

10. When the institution interested in taking of land for public needs settles with the owner and/or another user of the land to be taken in accordance with the agreement regarding taking of land for public needs, a territorial unit of the National Land Service shall register the land parcel to be taken for public needs in the Real Property Register as the state-owned land, and the institution interested in taking of land for public needs shall register the state ownership right to the structures and facilities located on the land parcel taken for public needs in the Real Property Register. In case the dispute regarding the preparation and approval of the draft project regarding taking of land for public needs or compensation amount is examined at court, the structural unit of the National Land Service shall register the land parcel taken for public needs in the Real Property Register as the state-owned land, and the institution interested in taking of land for public needs may register the structures and facilities located on the land parcel to be taken for public needs only after the institution interested in taking of land for public needs settles with the owner and/or another user of the land parcel to be taken for public needs in accordance with the conditions established in the court ruling, except the cases when by the court ruling it is allowed to register the land parcel to be taken for public needs in the Real Property Register as the state-owned land before the settlement of the dispute regarding the preparation and approval of the draft project regarding taking of land for public needs or compensation amount for the land taken for public needs. The ownership right to the land parcel to be taken for public needs, structures, and facilities shall be transferred to the State from the moment of the registration of state ownership to the land parcel to be taken for public needs, structures, and facilities in the Real Property Register. Having registered the state ownership, the note of the legal fact specified in Article 46(5) of this Law shall be revoked.

11. The land parcel taken for public needs and registered in the Real Property Register as the state-owned land shall be transferred by the right of trust, transferred for gratuitous use or leased in accordance with the procedure laid down in articles 7, 8 or 9 of this Law only for the purposes for which this land parcel was taken for public needs.

12. In the cases where not more than 10 years have passed since the day of taking the decision to take the land for public needs and where under the detailed plans or special territorial planning documents newly prepared or amended in accordance with the procedure laid down in the Law on Territorial Planning the land parcel is no longer intended to be used for the purposes for which this land parcel was taken for public needs, the National Land Service must offer, in writing, the owner of the land parcel from whom the land parcel was taken for public needs to buy out this land parcel for the price that was set after the individual valuation of the property in accordance with the Law on Basics of Property and Business Valuation. The former land owner shall notify the territorial unit of the National Land Service according to the land parcel location about the consent to buy out the land parcel within six months after the date of the receipt of the proposal. The buy out of the land parcel shall be documented in the form of a sales and purchase agreement of the land parcel concluded in accordance with the procedure prescribed by laws. Where the former land owners refuse to buy out the land parcel or fail to notify about their consent to buy out the land parcel within the set time limit, and also where more than 10 years have passed since the day of taking the decision to take the land for public needs, the land parcel shall be managed, used and disposed of in accordance with the procedure prescribed by laws without applying the restriction stipulated in paragraph 11 of this Article.

**Article 48. Projects for taking the land for public needs**

1. Institutions interested in taking of land for public interests shall organise drafting and implementation of the projects for taking the land for public needs from their own funds. Project organisers shall submit applications to take land for public needs to the territorial unit of the National Land Service with regard to the location of the land parcel. When the head of the National Land Service adopts a decision regarding starting the procedure of taking of land for public needs, the territorial unit of the National Land Service issues a list of requirements for the drafting of the project for taking of land for public needs. The list of requirements for the drafting of the project for taking of land for public needs is issued in cases when the land parcel is taken for public needs and/or when, after the partition or division of a part of the land parcel necessary for public needs, the remaining land parcel (parcels) were not designed in the detailed plan or special territorial planning documents, also when there is a free state-owned land parcel adjacent to the land parcel to be taken where in accordance with the legal acts instead of the land parcel taken for public needs another land parcel may be formed and given into ownership. In cases when a land parcel is taken for public needs and after the partition or division of a part of the land parcel necessary for public needs, the remaining

land parcel (parcels) is (are) designed in the detailed plan or special territorial planning documents, the plans of the designed land parcels shall be prepared instead of the project for taking of land for public needs in accordance with the procedure specified in the regulations of the Real Property Cadastre.

2. Having received the list of requirements for the preparation of the draft project for taking of land for public needs from the territorial unit of the National Land Service, the institution interested in taking of land shall select a developer of the project for taking the land for public needs in accordance with the procedure laid down in the Law on Public Procurement and conclude an agreement on drafting the project for taking the land for public needs. When instead of the project for taking of land for public needs the plans of land parcels are prepared, the institution interested in taking of land for public needs shall select a developer of the plans of land parcels in accordance with the procedure established in the Law on Public Procurement.

3. In the project for taking of land for public needs, the boundaries of the land parcel to be taken shall be indicated, division, partitioning, merging or amalgamation of the land parcels that need to be reparcelled while taking them or their part for public needs shall be made, the principal purpose of land use shall be established, and the method of the use of the land parcel shall be changed.

4. Having completed land management works specified in paragraph 3 of this Article, the following land the management works shall be planned in the project for taking of land for public needs:

1) formation of the land parcels intended to be used for compensating for the land taken for public needs in the unoccupied state-owned land;

2) designing of new roads, restructuring of land reclamation systems, establishment or changing of the special conditions on land use, and also the designing of the proposed land easements.

5. The head of the National Land Service or the head of the territorial unit authorised by him shall approve the projects for taking of land for public needs, only after they are verified by the state supervisory institution of the land use planning documents in accordance with the established procedure.

6. Cadastral data on land parcels formed and reparcelled in accordance with the project for taking the land for public needs shall be recorded in the Real Property Cadastre in accordance with the procedure laid down in the Law on Real Property Cadastre.

## CHAPTER IX
## CONSOLIDATION OF LAND PARCELS

### Article 49. Preparatory works for land consolidation plans

1. Land consolidation projects shall be prepared in rural residential areas only. The State Land Fund shall organise drafting of the land consolidation projects. The land consolidation project may be prepared only in those cadastre areas which are covered in the approved comprehensive plan of the municipality or the comprehensive plan of the part of the municipality.

2. Applications to draft a land consolidation project shall be filed to the State Land Fund by the land owners, the municipal council or the trustees of state-owned land. Having established that at least five owners of at least five land parcels located in one or several adjacent areas of the cadastre, the municipal council or trustees of state-owned land wish to draft a project, the State Land Fund shall provide for a preliminary area for the land consolidation project, identify the owners of land parcels located within this area, the trustees of state-owned land and other users and shall organise a meeting of the land owners, the municipal council, and the trustees of state-owned land within this area. Authorised persons of the land owners, the municipal and the trustees of state-owned land shall be invited to the meeting in writing at least 10 days before the day of the meeting. Only those state-owned land parcels shall be consolidated that border with the land parcels of the private land owners who submitted applications to draft a land consolidation project and/or the land parcels of the municipality, or those land parcels that are adjacent to such land parcels and divided by roads, ditches or channels only. The meeting shall:

1) substantiate the need for drafting a land consolidation project;

2) identify the land parcels which it is expedient to reparcell in accordance with the land consolidation project;

3) determine the powers of the persons who, during the meeting, are authorised to solve organisational issues related to drafting of a land consolidation project, as well as determine the election procedure, representation quotas and conditions;

4) elect persons who are authorised by the meeting to solve organisational issues related to the land consolidation project.

3. If in the preliminary area foreseen for the land consolidation project by the State Land Fund there are no state-owned or municipal land parcels, the decisions of the meeting shall be lawful if attended by at least two-thirds owners of the land parcels to be included into the area for the drafting of the land consolidation project, and the decisions are approved at least by half of the land owners who participate in the meeting. Co-owners of a land parcel shall have one vote at the meeting. The owner of land who owns several land plots which by right of ownership belong to him and/or other co-owners shall have one vote at the meeting.

4. In case it is planned to include state-owned and municipal land parcels together with the private land parcels into the area for drafting of land consolidation project, the decisions of the meeting shall be lawful if the meeting is attended by the authorised person of the State Land Fund, authorised persons of the trustees of the state-owned land parcels to be consolidated, and the authorised person of the municipal council, if it is planned to consolidate the municipal land parcels - also at least two thirds of the land owners, and if the decisions are approved by the authorised person of the State Land Fund, authorised persons of the trustees of the state-owned land parcels consolidated, and the authorised person of the municipal council, as well as at least by half of the land owners who participate in the meeting. Co-owners of a land parcel shall have one vote at the meeting. The owner of land who owns several land plots which by right of ownership belong to him and/or other co-owners shall have one vote at the meeting.

5. When performing procedures of preparatory works for land consolidation project, project drafting and implementation, also when concluding the land consolidation agreement, the State Land Fund shall be represented by its head or the persons authorised by the head, other trustees of the state-owned land shall be represented by their authorised persons: civil servants or, if the trustee of the state-owned land does not have civil servants - by other employees, and municipalities - by the authorised persons of the municipal council performing functions of municipal local government and/or public administration: members of the municipal council, the director of municipal administration or other civil servants of municipal administration.

6. After the meeting every land owner willing to consolidate the land parcels, the municipal council, in case it is planned to consolidate the municipal land parcels, and the trustees of the state-owned land, in case it is planned to consolidate the state-owned land parcels, shall no later than within one month submit to the State Land Fund, the organiser of the land consolidation projects, a written agreement to participate in the land consolidation project during drafting and implementation of which the land parcels held by the person who gave his agreement will be consolidated; his agreement shall include indication of the land parcels to be consolidated and obligation to cover - in case of avoidance or refusal without due grounds to participate in the land consolidation project and/or the land consolidation agreement - the expenses related to the rearrangement of his owned land parcels when drafting and implementing the land consolidation project, as well as expenses related to adjustment of the land consolidation project due to avoidance or refusal without due grounds to participate in it and/or conclude the land consolidation agreement. In cases when the land parcel belongs to several persons, every co-owner of the land parcel must express his agreement to participate in the land consolidation project. Instead of the agreement to participate in the land consolidation project, the National Land Service shall submit to the State Land Fund the list of its managed by the right of trust state-owned land parcels that are to be consolidated. Having approved the borders of the area needed for drafting of the land consolidation project, the State Land Fund shall from the day of the adoption of this decision acquire the right of trust to the state-owned land parcels indicated on the list of the National Land Service, and within five working days submit an application to the manager of the Real Property Register to register this right in the Real Property Register. The right of trust of the National Land Service to these state-owned land parcels shall end with the adoption of the State Land Fund's decision to approve the borders of the area needed for drafting of the and consolidation project.

7. The land area for the drafting of the land consolidation project covering the land parcels intended for consolidation must cover at least 100 ha.

8. Land parcels that are seized or those being an object of a court dispute directly related to the land parcel or rights to it may not be consolidated or be an object of the land consolidation agreement.

9. Owners of the land parcels planned to be consolidated, the municipal council, if it is planned to consolidate municipal land parcels, or the trustees of the state-owned land, if it is planned to consolidate state-owned land parcels, must inform third parties having rights to these land parcels by a registered mail (by handing in) about the consolidation of land parcels. Only those land parcels to which third parties have rights in rem to them registered in the Real Property Register may be consolidated and provided that third parties give their written agreement regarding the consolidation of land parcels. The agreement of a third party having rights in rem, except the easement and mortgage, to the land parcel to be consolidated must additionally specify that the person agrees before the conclusion of the land consolidation agreement to solve together with the owner of the consolidated land parcel the issue regarding termination of the rights in rem to the consolidated land parcel.

10. The State Land Fund shall approve the borders of the area for the drafting of the land consolidation project and the list of requirements for the drafting of the land consolidation project, also shall take the decision to draft the land consolidation project. The area of the land consolidation project shall cover land regarding which the State Land Fund received agreements to participate in the land consolidation projects, state-owned land parcels that were transferred to the State Land Fund by the National Land Service and the trustee of which is the State Land Fund, also private land the owners of which have not submitted agreements to participate in the land consolidation project, but are willing to sell land parcels (their parts) during the drafting of the land consolidation project.

11. In case the person who has expressed his agreement to participate in the land consolidation project transfers his owned land parcel (part of it) attributed to the land consolidation area to other persons, the transfer agreement of such land parcel (its part) must specify that the person acquiring the land parcel (or its part) agrees to participate in the land consolidation project and that the person who transfers the land parcel (part of it) must during one month after the transfer of the land parcel (part of it) to inform in writing about that the State Land Fund. If the person who transferred the land parcel (part of it) does not inform the State Land Fund within the set time limit about the change of the owner and his agreement to participate in the consolidation project, the owner of the land who submitted his agreement specified in paragraph 6 of this Article shall be considered the one who refused to participate in the land consolidation project without due grounds.

12. Before the decision to approve the valuation plan of the land consolidation project, the borders of the area for land consolidation shall be changed and new land parcels shall be attributed to this area in accordance with the procedure specified in the Rules on Development and Implementation of Land Consolidation Plans. The decision to change the area for the land consolidation report shall be adopted by the State Land Fund. The owners of land parcels attributed to the area of the land consolidation project, trustees of the state-owned land or the municipal council must submit to the State Land Fund the agreement specified in paragraph 6 of this Article before the decision to change this area. In addition, the state-owned land parcels managed by the National Land Service by the right of trust shall be attributed to the area for the drafting of the land consolidation project, and these parcels shall be transferred to the State Land Fund in accordance with paragraph 6 of this Article.

13. The decision of the State Land Fund to approve or to amend the borders of the area for the land consolidation project shall be coordinated with the National Land Service.

14. The State Land Fund shall within five working days from the adoption of the decision regarding approval or amendment of the area for the drafting of the land consolidation project submit an application to the manager of the Real Property Register regarding making a note of the legal fact (assignment of the land parcel to the area for drafting of the land consolidation project) registration in the Register entry of each land parcel specified in the decision regarding approval or amendment of the area for the drafting of the land consolidation project.

15. The drafter of the land consolidation project shall be selected in accordance with the procedure laid down in the Law on Public Procurement.

**Article 50. Valuation of land**

1. The land subject to the land consolidation project must be evaluated before the drafting of the proposals regarding the project solutions. The drafter of the project shall carry out the land valuation.

2. The land under valuation shall be divided into separate land areas of the same method of use and the same characteristics, which are marked on the land valuation plan. The value of each existing or designed land parcel shall be estimated on the basis of the land valuation plan. The Rules

on Development and Implementation of Land Consolidation Plans shall establish the procedure for drafting the land valuation plan.

3. The land value shall be established by applying one of the property valuation methods established in the Law on the Basis of Property and Business Valuation selected by the agreement between the land owners participating in the land consolidation project, provided only private land parcels are consolidated. Where according to the land consolidation project the state and municipal land parcels are consolidated, then all existing land parcels and those designed in the land consolidation project shall be valued by applying the individual valuation of the property and property valuation methods specified in the Law on Basis of Property and Business Valuation. In all cases land parcels shall be valued by applying the same method.

4. The land valuation plan must be approved by all the owners of the land parcels located in the area and those planned to be consolidated, the authorised person of the municipal council, if land parcels of the municipality are consolidated, and the authorised persons of the trustees of the state-owned land, if the state-owned land parcels are consolidated. When the state-owned land parcels are consolidated, the land consolidation project must in all cases be approved by the authorised person of the State Land Fund, irrespective of the fact that the State Land Fund is not the trustee of the consolidated state-owned land parcels. Disputes concerning the valuation of land shall be settled in court.

**Article 51. Drafting of land consolidation projects**

1. Having started drafting a land consolidation project, its developer shall organise the meetings of the persons participating in the project - the owners of private land parcels to be consolidated, the authorised person of a municipal council, if the municipal land parcels are consolidated, and the authorised persons of the trustees of the state-owned land, if the state-owned land parcels are consolidated. Meetings shall be chaired by a person elected by the participants of the meeting. Decisions of the meeting shall be considered lawful, if the decisions are approved by at least three quarters of all the land owners who submitted their agreement to participate in the land consolidation project and whose land parcels are attributed to the area for drafting of the land consolidation project. When state-owned and municipal land parcels are attributed to the area of land consolidation project, decisions of the meeting shall be lawful if attended by the authorised person of the State Land Fund, authorised persons of the trustees of the state-owned land, if the trustee of the consolidated state-owned land parcels is not the State Land Fund, and the authorised person of a municipality, if the municipal land parcels are consolidated, and if these decisions are supported by the authorised person of the State Land Fund, authorised persons of the trustees of the state-owned land, and the authorised person of a municipal council, also at least three quarters of all the land owners who submitted their agreement to participate in the land consolidation project and whose land parcels are attributed to the area for drafting the land consolidation project. Co-owners of a land parcel shall have one vote at the meeting. The owner of land who owns several land plots which by right of ownership belong to him and/or other co-owners shall have one vote at the meeting. The meeting shall have the right to take decisions on the following issues related to the drafting of the land consolidation project:

1) the land valuation;

2) the arrangement of the roads of common use that are being designed and the roads used by the right of easement;

3) the location of the consolidated land parcels and design of the boundaries;

4) the time schedule for cadastral measurement works and the beginning of the use of the consolidated land parcels;

5) common activities on the management of the area when implementing the solutions of the plan;

6) other issues related to the drafting of the project.

2. According to the approved comprehensive plan of a municipality or a part of it or the project for agriculture and rural development, the area of the land consolidation project shall be reparcelled in a complex way by providing for changing of the location of land parcels and/or their borders, the establishment and changing of the principal purpose of land use as well as the method of the use of the land parcels, the establishment and changing of special land use conditions, and distribution of roads.

3. The Government shall establish the rules for drafting and implementation of land consolidation projects.

4. The land consolidation project shall be publicly debated in the manner laid down in the Rules for Drafting Land Consolidation Projects.

5. Persons who have expressed their agreement to participate in the land consolidation project may submit their proposals, remarks and claims regarding the land consolidation project to the State Land Fund and the National Land Service before the end of public debates concerning the project.

6. The |land consolidation project shall be approved by the head of the National Land Service or his authorised head of a territorial unit. A decision concerning the approval of the land consolidation project may be appealed against to court in the manner prescribed by the Law on Administrative Proceedings.

7. When persons who submitted the agreement to participate in the land consolidation project refuse to participate in it, the State Land Fund shall adopt a decision to change the borders of the area for the land consolidation project by crossing out the land parcels which belong to the persons who refused to participate in the project and to amend the land consolidation project. In such case the requirement specified in Article 49(7) shall apply that the land area for drafting of the land consolidation project covering the land parcels intended for consolidation must cover at least 100 ha, and the condition specified in Article 49(12) that the borders of the area needed for drafting of the land consolidation project may be changed before the adoption of the decision to approve the valuation plan of the land consolidation project shall not apply. The State Land Fund shall within five working days from the adoption of the decision to change the area for the land consolidation project submit an application to the manager of the Real Property Register regarding removal from the Register of the legal fact about attribution of the land parcel (parcels) to the area for drafting of the land consolidation project.

**Article 52. Implementation of land consolidation projects and conclusion of the land consolidation agreement**

1. Land parcels designed in the land consolidation project shall be marked on the ground by performing cadastral measurements.

2. Owners of the land parcels consolidated (rearranged) in accordance with the land consolidation project shall conclude the land consolidation agreement. When concluding such an agreement, the head of the State Land Fund or his authorised person or the persons authorised by other trustees of the state-owned land, in case the trustee of the rearranged state-owned land parcels is not the State Land Fund, shall represent the state and sign the agreement, and the authorised person of the municipal council shall represent the municipality and sign the agreement.

3. In accordance with the land consolidation agreement, the state, municipal, and private land plots registered in the Real Property Register, included into the area of the land consolidation project shall be consolidated, i.e. comprehensively rearranged (divided, partitioned, merged, rearranged) into land parcels formed in accordance with the approved land consolidation project. The land consolidation agreement shall be approved by a notary. The land consolidation agreement must be accompanied by the plans of the land parcels consolidated according the land consolidation project prepared according to the procedure established by an institution authorised by the Government.

4. The following must be specified in the land consolidation agreement:

1) private, state-owned, and municipal land parcels registered in the Real Property Register that are planned to be consolidated and their cadastral data;

2) land parcels consolidated in accordance with the approved land consolidation project, transferred into the ownership of specific land owners, state, municipality ownership instead of the land parcels owned before the consolidation and cadastral data of the consolidated land parcels. Value of the state-owned and municipal land parcels before the consolidation and the consolidated (rearranged) land parcels must not differ more than by five percents;

3) commitments on the compensation for the difference in value of the land parcels. Value difference between the state-owned and municipal land parcels before the consolidation and the land parcels consolidated in accordance with the land consolidation project is compensated in cash;

4) the condition that third parties have no rights to the consolidated land parcels or that the parties to the agreement agree that third parties have other contractual rights to the land plots consolidated according to the land consolidation project and their land parcels acquired into the ownership according to this agreement;

5) information that third parties having the rights in rem to the consolidated land parcels agree with the land parcel consolidation. When the pledged land parcels are consolidated, the creditor's agreement must include the condition that the creditor agrees that mortgage covers the land parcel consolidated according to the land consolidation project and transferred according to this agreement into the ownership of the owner of a pledged land parcel.

5. The Rules on Development and Implementation of Land Consolidation Plans shall establish the standard form for concluding a land consolidation agreement.

6. When persons refuse to conclude the land consolidation agreement, the State Land Fund shall adopt a decision specified in Article 51(7) of this Law.

7. Persons who refuse or avoid without due grounds to participate in the land consolidation project and/or conclude the land consolidation agreement, shall cover the expenses incurred when drafting and implementing the land consolidation project related to the consolidation of their owned land parcels, also expenses for the amendment of the land consolidation project incurred due to refusal or avoidance without due grounds to participate in it and/or conclude the land consolidation agreement. Refusal or avoidance to participate in the land consolidation project of any person who submitted his agreement in accordance with Article 49(6) of this Law to participate in the land consolidation project, refusal or avoidance to participate in the land consolidation project which is drafted and implemented in accordance with the procedure of this Law and other legal acts, also refusal or avoidance to conclude a land consolidation agreement according to which such person shall be given into his ownership the land parcels consolidated in accordance with the land consolidation project prepared and implemented in accordance with the procedure of this Law and other legal acts, except the cases when this person refuses or avoids to participate in the land consolidation project and/or conclude the land consolidation agreement due to the reasons which according to the decision of the National land Service are recognised as serious. The person may in accordance with the procedure established by law appeal to court regarding recognition of the reasons for refusal or avoidance to participate in the land consolidation project and/or to conclude the land consolidation agreement as serious.

8. If during the drafting or implementation of the land consolidation project the land parcels are seized, become an object of a court dispute directly related to the land parcel or rights to it or if third parties having rights in rem to these land parcels registered in the Real Property Register revoke their agreement regarding land parcel consolidation, the person who has been recognised as the one who refused or avoided to participate in the land consolidation project and/or conclude the land consolidation agreement may apply in accordance with the procedure established by law for compensation for damages.

9. Procedure for calculation of expenses reimbursed due to unjustified refusal and avoidance to participate in the land consolidation project and/or to conclude the land consolidation agreement shall be established in the Rules for Development and Implementation of Land Consolidation Plans.

10. After the land parcels designed in the land consolidation project are marked on the ground and the land consolidation agreement is concluded, according to the procedure established by the Law on the Real Property Register, upon the requests of the persons who concluded land consolidation agreements or their authorised persons, the land parcels owned by them before the consolidation and the rights to them, as well as the restrictions on these rights and legal facts shall be removed from the Register and the land parcels which are transferred to said persons according to the land consolidation agreement and consolidated according to the land consolidation project and the rights to them, the restrictions on these rights and legal facts shall be registered simultaneously.

11. After the rearrangement of the pledged land parcel (parcels) in accordance with the land consolidation project, the mortgage shall cover the land parcel (parcels) transferred to the land owner in accordance with the consolidation agreement instead of the previously owned pledged land parcel (parcels) consolidated according to the land consolidation project. The manager of the Real Property Register shall inform the Mortgage Register of the Republic of Lithuania about the consolidation of the pledged land parcel and its new cadastral and unique numbers within the period of three days from the registration of the transfer of the land parcel in accordance with the land consolidation agreement, rights to it, the restrictions of these rights and and legal facts in the the Real Property Register.

12. In accordance with the land consolidation project, after the rearrangement of the land parcel (parcels), which were established an easement, it remains to be valid for the land parcel (parcels) formed in accordance with the land consolidation project on the previous land parcel (parcels), except for the cases, when an easement expires on the basis established by the Civil Code.

New easements shall be established for a consolidated land parcel by an administrative act, i.e. the decision of the head of the National Land Service or his authorised head of the territorial unit in accordance with the procedure established in Article 23 of this Law and provided for by the Government.

13. The owners of land parcels which were assigned to the area of the land consolidation project, who wish to sell the land parcels (or the parts thereof) during the process of the land consolidation project development shall sell the land parcels in compliance with the provisions of Article 31(2) of this Law and other laws regulating the pre-emption right to acquire the land offered for sale.

14. The State Land Fund shall submit to the National Land Service the list of the consolidated state-owned land parcels which were registered by this Fund in the ownership of the state in the Real Property Register. The National Land Service shall, within five working days from the receipt of such list, submit to the manager of the Real Property Register an application to register the right of trust of the National Land Service to these state-owned land parcels.

15. State-owned land parcels that are consolidated in accordance with the land consolidation project and transferred to the State in accordance with the land consolidation agreement and that are not planned to be used for public needs or performance of other state or municipal functions may be transferred into the ownership of other persons or transferred for use in accordance with the procedure provided for by law.

## CHAPTER X
## FINAL PROVISIONS

### Article 53. Liability for infringements of the Law

1. Natural and legal persons in breach of the requirements of this Law shall be held liable under law.

2. Land parcels that have been wilfully occupied shall be returned back without compensating for the costs incurred while illegally using the land. Natural and legal persons who have wilfully occupied the land parcels must compensate for the costs related to the management thereof.

### Article 54. International treaties

In the cases where international treaties of the Republic of Lithuania prescribe other provisions than those established in this Law, the provisions of international treaties shall apply.

I promulgate this Law passed by the Seimas of the Republic of Lithuania.

PRESIDENT OF THE REPUBLIC ALGIRDAS BRAZAUSKAS