

# **Agricultural Land Ownership and Use Act**

***(Title amended - SG No. 14/20.02.2015)***

*Publication - State Gazette No. 17/01.03.1991,*

*Last Amendment - SG No. 61/11.08.2015*

## **Chapter One**

### **GENERAL PROVISIONS**

#### **Article 1**

This Act shall regulate the ownership and use of agricultural land.

#### **Article 2**

*(Last Amendment - No. 99/2002)*

Agricultural land, for the purposes of this Act, shall be any land, set aside for farming, which:

1. *(Last Amendment - No. 99/2002)* does not fall within the confines of urbanized territories (settlements and other populated areas) determined by a detailed territorial structure design, or by a belt line range;

2. is not included as part of the forest reserve;

3. is not built-up by: industrial or other economic enterprises, recreation or health establishments, religious denominations or other public organisations; nor is within courtyards, nor under warehouses auxiliary to such buildings as the above;

4. *(Last Amendment - SG No. 28/1992)* is not occupied by open mines and quarries, energy, irrigation, transportation facilities or other public utilities, nor is adjacent to such facilities and utilities.

#### **Article 3**

*(Last Amendment - SG No. 38/ 07.05.2014 )*

(1) *(Last Amendment - SG No. 28/1992)* Agricultural land may be individual citizen's, State, municipal, or legal persons' property.

(2) Political parties and organisations, movements and coalitions for political purposes may not have ownership of agricultural land.

(3) *(Last Amendment - SG No. 24/2007)* Foreign states shall not have a right of ownership over agricultural lands.

(4) *(Last Amendment - SG No. 24/2007)* Foreign nationals or foreign legal persons may not acquire right of ownership over agricultural land under the conditions of an international treaty, ratified pursuant to the procedure of Art. 22, paragraph 2 of the Constitution of the Republic of Bulgaria, promulgated and entered into force, and the foreigner nationals – also by inheritance by law.

(5) *(New-SG No. 24/2007)* Citizens of the Member States of the European Union and of the states – parties to the European Economic Area Agreement may acquire right of ownership over agricultural lands pursuant to this Act after the expiry of the term defined in the Treaty of Accession of the Republic of Bulgaria to the European Union.

(6) *(New-SG No. 24/2007)* Legal persons from the Member States of the European Union or from the states – parties to the European Economic Area Agreement may acquire ownership over agricultural lands pursuant to the procedure of paragraph 5.

(7) *(New - SG No. 38/ 2014 )* The following may not acquire and possess property on agricultural lands:

1. commercial companies whose partners or shareholders are directly or indirectly companies registered under jurisdictions with preferential taxation regimes;

2. commercial companies whose partners or shareholders are foreigners other than the natural persons under Pars. (4) and (5) or foreign legal persons other than those under Pars. (4) and (6), as well as commercial companies having as a single owner such natural or legal persons;

3. joint – stock companies which have emitted bearer shares.

(8) *(Former Par. 7, SG No. 38/ 2014)* Foreign legal persons and foreign nationals may acquire usufruct in agricultural land or other limited real rights in land by terms and procedures as provided by law.

### **Article 3a**

*(Last Amendment, SG No. 12/2015)*

(1) *(Last Amendment, SG No. 12/2015)* Citizens of the Member States of the European Union – individually occupied farmers who wish to settle and reside permanently in the Republic of Bulgaria and who are registered in that capacity pursuant to the procedure of the BULSTAT Register Act, may acquire right of ownership over agricultural and forestry lands for usufruct from the date of the entry into force of the Treaty of Accession of the Republic of Bulgaria to the European Union.

(2) *(Last Amendment, SG No. 12/2015)* In those cases where before the the expiry of the term defined in the Treaty of Accession of the Republic of Bulgaria to the European Union, the persons under paragraph 1 terminate their activity as individually occupied farmers, the provisions of Art. 3b shall be applied.

### **Article 3b**

*(New-SG No. 24/2007)*

(1) Foreign nationals who acquire right of ownership over agricultural lands by inheritance by law but who do not fulfill the conditions provided for in the Treaty of Accession of the Republic of Bulgaria to the European Union, or when something else is not provided for in an international treaty, ratified pursuant to the procedure of Art. 22, paragraph 2 of the Constitution of the Republic of Bulgaria, shall be obliged, within a three year term following the revealing of the inheritance, to transfer the ownership to persons who have right to acquire such estates.

(2) For persons under paragraph 1, to whom right of ownership over agricultural lands has been restored, the three year term for the transfer of the ownership shall run from the moment of its restoration.

(3) If the term under paragraph 1 has not been complied with, the state may buy the agricultural lands at prices, determined by an Ordinance of the Council of Ministers.

### **Article 3c**

*(New - SG No. 38/ 2014 )*

(1) The right to ownership over agricultural lands may be acquired by natural or legal persons residing in Republic of Bulgaria for more than five years.

(2) Legal persons with registration under the Bulgarian legislation for less than five years may acquire the right to ownership over agricultural lands, where the partners in the company, the members of the association or the founders of the joint- stock company meet the requirement of Par. (1).

(3) Where a contract for transfer of ownership right is signed the buyers - natural persons shall represent before the notary a declaration for origin of funds and the legal persons a document proving the origin of funds.

(4) Par. (1) does not apply in cases where the right to ownership over agricultural lands is acquired through inheritance by law.

### **Article 4**

*(Last Amendment - SG No. 39/2011)*

(1) Proprietors shall be free to determine a manner of using agricultural land according to its purposes. Proprietors shall use land in a manner such as is not detrimental to soils and in compliance with sanitation, fire safety and environmental protection standards.

(2) *(Last Amendment - SG No. 39/2011)* Buildings and installations may be erected on agricultural land such as are related to its use by terms and procedures as provided by the Spatial Development Act and Agricultural Land Protection Act.

(3) *(Last Amendment - SG No. 13/2007)* Expropriation of agricultural lands for important government and municipal purposes shall be done pursuant to the Property Act and the Agricultural Lands Protection Act.

(4) *(Last Amendment - SG No. 19/2009, in force as of 10.04.2009)* Proprietors and users shall protect archaeological sites, cultural values, irrigation, power generation and other facilities and installations, geodetic and frontier signs such as exist on their land, and shall not prevent other proprietors, users and officials from using and maintaining such facilities and installations.

(5) *(Last Amendment - SG No. 99/2002)* Incorporation of agricultural land within the confines of urbanized territories (settlements and other populated areas) shall be done pursuant to the Agricultural lands Protection Act and the Territorial and the Spatial Development Act.

#### **Article 4a**

*(Repeal- SG No. 10/2009)*

#### **Article 5**

*(Last Amendment - SG No.99/2002)*

(1) *(Last Amendment - SG No. 99/2002)* Proprietors of agricultural land restituted under this Act, shall be exempted from state, state notary fees and local tax and fees in the event of concluding lease contract, rent contracts for a period of time exceeding one year, voluntary partition and rights-transferring transactions in agricultural land for a period of five (5) years.

(2) *(New-SG No. 99/2002)* No state fee is payable for the recordation of decisions of the municipal agriculture service that have the force of public notary deeds based on factual possession.

(3) *(New-SG No. 99/2002)* A public notary fee collected for certification of the signatures of parties to contracts for farming land lease and rent, for a period above one year, shall be determined irrespective of the amount under the relevant contracts.

### **Chapter Two**

#### **LAND OF INDIVIDUAL PROPRIETORS**

#### **Article 6**

*(Repeal - SG No. 28/1992)*

#### **Article 7**

*(Last Amendment - SG No.36/2004, in force as of 31.07.2004)*

(1) *(Declared partially unconstitutional by Constitutional Court of the Republic of Bulgaria, over the term "reimbursement" - SG No. 103/1996)* In the event of disposition, partition, reimbursement and grant of land, agricultural land estates shall not be parcelled out into fragments the proportions whereof are less than the ones prescribed under Article 72 of the Inheritance Act.

(2) *(Repeal -SG No. 98/1997)*

(3) Partition of a farm estate or disposition of real shares of a farm estate shall be executed only if the separate shares thereof are detachable to constitute separate estates of such proportions as specified in paragraph 1 above under a project drawn up or approved by the respective municipal agriculture service.

(4) *(Last Amendment - SG No. 98/1997)* In the event of partitions, disposition transactions, alienation, change of function and appraisal of agricultural lands, attached shall be a plot drawn up or endorsed by the municipal agriculture service.

(5) *(Last Amendment - 36/2004, in force as of 31.07.2004)* Registration offices and other competent authorities shall be required to notify, within one month, the municipal agriculture service of any changes in land ownership and use.

(6) *(Repeal-SG No. 99/2002)*

### **Article 8**

*(Last Amendment - SG No. 98/1997)*

Individuals may associate in co operatives or associations for joint farming of their land. In such cases they shall retain ownership of their land within real boundaries.

### **Article 9**

*(Repeal-SG No. 98/1997)*

### **Article 9a**

*(Repeal-SG No. 98/1997)*

### **Article 10**

*(Last Amendment - SG No. 99/2002)*

(1) *(Last Amendment - SG No. 98/1997)* Proprietors or their inheritors shall be reinstated in possession of the agricultural lands they used to own prior to the institution of labour co-operative farms (TKZS) or state farms (DZS) regardless of whether such lands used to be incorporated therein or in other suchlike agricultural organisations set up on the basis thereof.

(2) *(Last Amendment - SG No. 28/1992)* Proprietors shall be reinstated in their agricultural land as nationalised under the repealed Article 12 of the Property Act, subject to reimbursement of moneys received in compensation.

(3) *(Last Amendment - SG No. 28/1992)* Proprietors who donated their land to TKZS or the State shall be reinstated.

(4) *(Last Amendment - SG No. 28/1992)* Proprietors shall be reinstated in their agricultural land where unlawfully dispossessed.

(5) *(Last Amendment - SG No. 98/1997)* Proprietors shall be reinstated in afforested or self-afforested agricultural land, inclusive of such lands incorporated into the State forestry reserve for which proprietors have received no compensation, with the exception of forest nurseries and forest shelter belts. Such reinstatement shall be effected following the procedure set forth in Article 14, paragraph 1, subparagraph 1.

(6) *(Last Amendment - SG No. 98/1997)* Proprietors shall be reinstated in farm yards managed as agricultural land by labour co-operative farms, state-owned farms or other agricultural organisations based thereon, in the effaced or abandoned settlements.

(7) *(Last Amendment - SG No. 99/2002)* Proprietors shall be reinstated in possession of the agricultural lands they used to own prior to the institution of labour co-operative farms or state farms, regardless of whether such lands used to be incorporated therein or in other suchlike agricultural organisations set up on the basis thereof, and are located within the confines of urbanized territories (settlements) determined by a detailed territorial structure design, or by a circular belt range, except where buildings have been erected thereon by third persons in strict adherence to all regulative requirements, or where the right to build has been ceded and the erection, lawfully afforded as of March 1, 1991, has commenced. Such reinstatement shall be effected following the procedure set forth in Article 14, paragraph 1, subparagraph 1.

(8) *(Last Amendment - SG No. 98/1997)* Proprietors shall be reinstated in agricultural land up to such proportions as specified by the repealed Article 8, paragraph (1) and Article 10 of the Earned Landed Property Act, inclusive of land alienated under the Earned Landed Property Act. For agricultural land exceeding such proportions, proprietors shall be indemnified following the procedure laid down in Article 35. The limitation on land proportions shall also apply to any instances where agricultural land was confiscated by virtue of a sentence and such sentence has been vacated.

(9) *(New, SG No. 28/1992)* Proprietors shall be reinstated, at their request, in land nationalised as forests and subsequently transformed into agricultural land.

(10) *(Last Amendment - SG No. 106/2000)* Proprietors shall be reinstated in land that is polluted, eroded, salinated, with high acid content or with excess moisture in the surface layer, and the expenses for its ecological reclamation shall be borne by the State. Funds needed to recover such lands productivity as well as to neutralise hazardous pollutants, shall be provided by the budget of the Ministry of Agriculture and Food under a program approved by the Council of Ministers on an annual basis. The Council of Ministers shall determine the procedure and manner of the ecological reclamation of such land and the control over polluted agricultural land.

(11) *(Last Amendment - SG No. 98/1997)* Reinstated in land shall be such persons who have been granted land under the Earned Landed Property Act, including those who have not yet paid a part of the instalments due, with the exception of such persons who have lost their rights over such land.

(12) *(Last Amendment - SG No. 99/2002)* Proprietors shall be reinstated under the procedure laid down in Article 14, paragraph 1, item 1, in possession of lands, both within and outside the confines of urbanized territories (settlements), incorporated into farm yards of labour co-operative farms, state farms, or other suchlike agricultural organisations set up on the basis thereof, which are not built- up and do not represent areas contiguous to buildings.

(13) (*New-SG No. 98/1997*) Proprietors shall be reinstated in possession of such lands, which they used to own prior to the institution of labour co-operative farms or state farms, or other suchlike agricultural organisations set up on the basis thereof, that have been sold or ceded by such organisations, or by other governmental or municipal authorities, respectively, to third parties with the exception of the ones explicitly specified herein. Reference to acquisition by virtue of positive prescription shall be inadmissible.

(14) (*Last Amendment - SG No. 99/2002*) Subject to restitution shall be also all land taken away from its proprietors under the Ordinance-Act on Prosecution by a Popular Court of Those Guilty of Involving Bulgaria in the World War against the Allied Nations and of the Felonies thereto Related (SG No. 219/1944, amended SG No. 261/1944, 9/1945), the Law on Confiscation of Property Acquired by Way of Profiteering or in an Illicit Way (SG No. 78/1946), or pursuant to the Law on Collection of Taxes and Other State Revenue (SG No. 304/1948), the Regulation on Collection of Taxes and Charges (Izvestiya, No. 13/1952), the Decree on Procurement and Prices (SG No. 213/1945), the Decree on Mandatory Re-registration of Agricultural land Property (SG No. 122/1949), as well as under Government Decree No. 982 of 1951 on the Measures Preparatory to the Completion of 1951 Autumn Sowing and Deep Autumn Ploughing (not promulgated), Government Decree No. 5 on Measures Preparatory to the Completion of the Spring Sowing and on the Cares for Growing the Autumn Crops in 1951 (Izvestiya, No. 4 of 1951), Government Decree No. 1559 of 1951 on the Measures Preparatory to the Completion of the Spring Sowing and on the Cares for Growing the Autumn and Spring Crops and Ensuring High Yields in 1952 (not promulgated), and Government Decree No. 48 of 1958 on Establishing the Balance of Arable Land as of January 1, 1958 and Taking Measures to Ensure its Further Enlargement, Utilisation and Protection against Misuse and Wasteful Practices (Izvestiya, No. 28/1952).

### **Article 10a**

*(Last Amendment - SG No.24/2007)*

(1) (*Last Amendment-SG No. 59/1995 - Declared partially unconstitutional by the Constitutional Court of the Republic of Bulgaria with regard to the phrase "from the Cadastre of settlements or from compensation plans"*) Reinstatement shall be done within the actual boundaries of land owned wherever existent or if possible to be established from the Cadastre of settlements or from compensation plans.

(2) Wherever boundaries of land no longer exist, reinstatement in ownership shall be done within actual boundaries of agricultural land of equivalent area on the territory of the respective settlement or an adjacent territory, and upon proprietor's consent, on another territory, following land reallocation and consolidation of real estates on it.

(3) (*Last Amendment - SG No. 24/2007*) Foreign nationals who are reinstated in property pursuant to this Article shall within three years transfer the said property to persons who have right to acquire agricultural lands.

(4) (*New-SG No. 24/2007*) Paragraph 3 shall not apply to citizens of the Member States of the European Union and of the states – parties to the European Economic Area Agreement , as well as to citizens of other states by virtue of a treaty under Art. 3, paragraph 4.

### **Article 10b**

*(Last Amendment - SG No.62/2010)*

(1) *(Last Amendment - SG No.62/2010)* Proprietors or their inheritors who used to be in possession of agricultural land prior to the institution of labour co- operative farms or state farms, regardless of whether such land was incorporated therein, or in other suchlike agricultural organisations set up on the basis thereof, located either within or outside the confines of urbanized territories (settlements), and which are either built-up or such projects have been undertaken thereupon which render reinstatement in ownership inadmissible, shall have the right to indemnification, at their request, with land of equal worth from the state or from the municipal landfund, and/or with registered compensation bonds.

(2) *(New – SG No. 62/2010)* Where the persons under Art. 1 have requested compensation by lands of equivalent value, such compensation shall comprise:

1. lands from the municipal land fund specified by the Municipal Council upon reasoned proposal by the municipal agriculture service – when the lands the ownership of which cannot be reinstated due to the circumstances under Par. 1 have been built up by construction sites owned by the municipality;
2. lands from the State land fund – in all other instances.

(3) *(Last Amendment - SG No. 62/2010)* Proprietors of land confiscated by virtue of a sentence which has been vacated, and ownership thereupon may not be reinstated for circumstances cited under paragraph 1, shall be indemnified under the terms and procedures of of par. 2 and / or registered compensatory vouchers.

(4) *(Repeal -SG No. 98/1997)*

(5) *(Last Amendment - SG No. 62/2010)* All lands the ownership of which cannot be reinstated due to the circumstances provided for in Par. 1 shall be deemed State property, and in the case under Par. 2, item 1 – municipal property.

(6) *(New - SG No. 62/2010)* In case there are no lands available within the territory of the State land fund, the proprietors shall be indemnified by lands of the municipal land fund.

(7) *(New - SG No. 62/2010)* The municipality shall certify the type of compensation under Par. 2 in accordance with the terms and procedures set forth in the statutory rules and regulations.

### **Article 10c**

*(Last Amendment - SG No.62/2010)*

(1) Bulgarian nationals or their heirs whose agricultural lands have served as a government debt redemption pursuant to the Agreement on the Settlement of Open Financial Issues and Economic Co-operation Development between the People's Republic of Bulgaria and the Kingdom of Greece (SG, No. 87 of 1964) shall be indemnified as follows:

1. *(Last Amendment - SG No. 68/1999)* persons who emigrated in the period between 1913 and 1928 who have not registered their bonds for redemption by the State: with registered compensation bonds;



2. *(Last Amendment - SG No. 62/2010)* Bulgarian nationals who emigrated in the period from 1913 to 1928 and who have not obtained bonds and have not been otherwise indemnified - with registered compensation bonds and/or with land from the State landed reserve;

3. *(Last Amendment - SG No. 62/2010)* those who emigrated in from 1928 to 1944 - with registered compensation bonds and/or with land from the State landed reserve.

(2) *(Last Amendment - SG No. 62/2010)* Bulgarian nationals or their heirs, from whom the State of Romania, under the Organisation of New Dobrudja Act of 1 April 1914, confiscated one third of their own agricultural land, shall be indemnified as follows:

1. *(Last Amendment - SG No. 62/2010)* the one third for which the right to compensation was not claimed under the Act on Settlement of Ownership of Real Estates in South Dobroudja (promulgated SG No. 157/1942; repealed Izv., No. 16/1951): with land from the State landed reserve for adding to the owner's other property up to 100 decares, and registered compensation bonds for the shortage to the full amount of the confiscated one third;

2. the granted right to moneys in compensation under Chapter III of the Act on Settlement of Ownership of Real Estates in South Dobroudja: with registered compensation bonds.

(3) *(Last Amendment - SG No. 99/2002)* Persons under paragraphs 1 and 4 shall file petitions with the Ministry of Agriculture and Food, and persons under paragraph 2, with the municipal agriculture services having jurisdiction over the location of the restituted property.

(4) *(New-SG No. 88/1998)* Bulgarian nationals whose estates have not been substituted with land from the State landed reserve under the provisions of Chapter Seven of the Act on the Amendment of the Act on Regulation of Real Estates in South Dobrudja (repealed, SG No. 57/1948), shall be compensated according to the provisions of paragraph 2.

(5) *(Last Amendment - SG No. 62/2010)* Indemnification with land shall be done: under paragraph 2, subparagraph 1, and under paragraph 4, in the location of the restituted property, and in case of shortage or lack of land from the State landed reserve in the village land, with registered compensation bonds.

## **Article 11**

*(Last Amendment - SG No. 62/2010)*

(1) *(Last Amendment - SG No. 46/1992)* Persons under Article 10 above shall file petitions for reinstatement in agricultural land within seventeen months from the date that this Act comes into force.

(2) *(Last Amendment - SG No. 13/2007)* Persons who failed to file petitions within the period under paragraph 1, can establish by claim against the respective municipal agriculture service their right to reinstate their ownership of agricultural lands only with written proofs. Written declarations and/or witness testimonies shall not constitute grounds for proving the right of ownership. The municipality at the location of the estate shall be called in the court case. On the basis of the rendered decision the municipal agriculture service shall set out the lands for restitution of ownership by complying with the requirements of this Act.

(3) *(Repeal-SG No. 98/1997)*

(4) *(Last Amendment - SG No. 62/2010)* Where a court ruling is presented to the respective municipal agriculture service following the promulgation in the official State Gazette of an announcement that the land reallocation plan had been drafted, the owner shall be indemnified under the terms and procedures specified in Article 10b.

## **Article 12**

*(Last Amendment - SG No. 13/2007)*

(1) Petitions under the preceding Article shall be referred to the respective municipal agriculture service. Petitions shall contain description of the estate concerned together with evidence of ownership.

(2) *(Last Amendment - SG No. 98/1997)* Ownership shall be proven by: act of notary, deeds of partition, TKZS protocols, land registers, applications for TKZS membership, rent ledgers protocols and decisions for vesting in landed property, including under the Earned Landed Property Act of 1946 and the Regulation for its application, and other evidence in writing.

(3) *(Repeal-SG No. 13/2007)*

(4) *(Repeal-SG No. 13/2007)*

(5) *(Repeal-SG No. 13/2007)*

(6) *(Last Amendment - SG No. 99/2002)* In the event that the land claimed should exceed the amount of land available in the area at the time of the establishment of the labour co-operative farms, the state farms and other suchlike agricultural organisations, the Minister of Agriculture and Food shall be empowered to discontinue the land-division for the purpose of precisely specifying the amount of land due to each claimant, as well as to order a municipal agriculture service to rescind earlier enacted decisions. In such cases persons found to have filed false petitions and declarations shall be held materially liable for damages inflicted as well.

(7) *(New-SG No. 98/1997)* Positive prescription in favour of a agricultural land holder, whose possession thereto is based on a contract in writing, a deed of voluntary partition or other legal instrument in writing, shall not be suspended with the incorporation of such land in labour co- operative farms, state farms and other suchlike agricultural organisations. This shall not constitute a ground for rescinding any court rulings that have entered into force.

## **Article 13**

*(Last Amendment - SG No.99/2002)*

(1) Municipal agriculture services shall post petitions filed with the information presented at municipalities or other appropriate places.

(2) *(Repeal-SG No. 28/1992).*

(3) *(Repeal-SG No. 28/1992).*

## **Article 14**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) *(Last Amendment - SG No. 99/2002)* A municipal agriculture service shall hand down rulings on:

1. *(Last Amendment - SG No. 68/1999)* restitution of ownership rights over land within existing old actual boundaries or such that are possible to restore. A board's ruling shall provide a description of the size and category of the property, its location (boundaries, neighbours) and any applicable limitations on the property with a quotation of the reasons for such limitations. A plan of the property shall be annexed to such ruling. A ruling having entered into force accompanied by a plan, except in the cases under Article 10, paragraph 7, shall certify the ownership right and shall be valid as a ascertaining notarial title deed for the property. Where a ruling restitutes ownership right over agricultural land to a deceased owner, the ruling shall be issued for all his/her heirs together. The shares of the heirs shall be defined as per the Inheritance Act, without being specified in the ruling.

2. *(Last Amendment - SG No. 99/2002)* restitution of ownership rights over agricultural lands within new real confines by means of a land reallocation plan. A ruling shall indicate the size and categories of the agricultural lands, and the precise locality on the territory within which they used to be. A land reallocation plan shall be drawn up on the basis of a municipal agriculture service's resolutions and following a survey, an inquiry and designing. A land reallocation plan shall be drawn up after an inquiry shall have been conducted with the participation of no less than half the owners or their inheritors. Such inquiry shall be conducted in the order and manner prescribed in the Rules on the implementation of this Act. Any need to rework a land reallocation plan shall be prescribed by an executive order of the Minister of Agriculture and Food.

3. *(Last Amendment - SG No. 68/1999)* acknowledgement of ownership right under the provisions of § 4 through 4l; the ruling shall set forth the size and the locality where the agricultural land was found.

(2) *(Last Amendment - SG No. 16/2003, in force as of 26.10.2002)* The municipal agriculture service's rulings shall be notified to the persons concerned in correspondence with the Code of Civil Procedure.

(3) *(Last Amendment - SG No. 30/2006, in force as of 01.03.2007)* The municipal agriculture service's rulings shall be appealable to the District Court within fourteen (14) days of notification. Appeals shall be lodged with the respective municipal agriculture service. The Court shall rule at the substance of the matter. Cases shall be heard in the same settlement in whose territory the property is located. The regional court judgment shall be subject to cassation appeal before the administrative court according to the procedure established by the Code of Administrative Procedure, which shall be examined by the court sitting in a panel of three judges..

(4) *(New-SG No 28/1992)* Where disputes arise on material rights every person concerned shall establish his rights by court action.

(5) In legal proceedings at the District Court all forms of evidence under the Code of Civil Procedure shall be valid as well.

(6) *(New-SG No. 99/2002)* The municipal agriculture service may correct at its own initiative or at the request of interested persons any obvious factual errors made in the ruling under this Article.

(7) *(Last Amendment - SG No. 61/11.08.2015)* Upon ascertainment of violations of this Act, the rules on its implementation, new circumstances or new written evidence of significant importance for laying down a ruling under para. 1, within one year after the ascertainment of the violations, the new circumstances or the new written evidence, but not later than three years after the land relocation plan or the Municipal Agriculture Service decision under par. 1, pt. 1 entry into effect, the Minister of Agriculture and Food, upon his or her initiative or upon request made by the interested parties, repeals the decision of the Municipal Agriculture Service or orders the Municipal Agriculture Service to amend it. This procedure is not applied in the cases in which there is a court ruling entered into effect with reference to the same lands.

(7a) *(New-SG 99/2002)* Interested persons shall have the right to require, under the conditions and following the procedure laid down in paragraph 7 above, that a municipal agriculture service modify the persons in favour or to the prejudice of whom their ruling has been handed down.

(8) *(Last Amendment - SG No. 98/1997)* Any rulings under paragraphs 6 and 7 shall be made known following the procedure described in paragraph 2 and may be appealed in the manner and within the terms laid down in paragraph 3. Where the rulings are handed down following the promulgation in the official State Gazette of the announcement that the land reallocation plan has been drawn up, the owners shall be indemnified under the terms and procedures specified in Article 10b.

(9) *(Last Amendment - SG No. 16/2003)* A municipal agriculture service shall be represented before the court by the chief, deputy chief, or by a duly authorised person having a degree in law, or by the Ministry of Agriculture and Food.

## **Article 15**

*(Last Amendment - SG No. 62/2010)*

(1) *(Last Amendment - SG No. 28/1992)* Municipal Councils shall, within six months of the date this Act comes into force, provide municipal agriculture services with information on changes in the area of agricultural land within the respective territory.

(2) *(New-SG No. 98/1997)* Where a municipal agriculture service has ascertained a decrease in the proportion of agricultural land within a respective territory, lessened respectively shall be also the plots of land subject to restitution with the exception of such plots of land that are to be restituted within their either currently existing or previous actual confines restorable on the same terrain. Lessened appropriately shall also be the plots of land the title whereto is subject to restitution in execution of a court ruling on restitution of title by way of a land reallocation plan.

(3) *(Last Amendment - SG No. 62/2010)* Proprietors, at their request, shall be indemnified for the differential between the land under rightful claim and land received in

restitution with equivalent lands from the under Art. 10b and/or registered compensation bonds. Lands shall be appraised under such terms and procedures as prescribed by the Council of Ministers in consideration of the current market prices in the respective area.

(4) *(Last Amendment - No. 98/1997)* Owners shall be indemnified under the procedure specified in paragraph 3 also where the court ruling by virtue whereof their right to restitution of ownership of agricultural land has been acknowledged has been presented to the municipal agriculture service following the promulgation of an announcement in the official State Gazette that a land reallocation plan has been drawn up.

(5) *(Last Amendment - SG No. 98/1997)* Legal persons who have worked out or keep and maintain cadastral topographic and geodetic information on the territories of settlements, shall submit it to the state authorities within 10 days from request. Information shall be submitted free of charge, with the exception of the expenses incurred for producing copies of the documentation.

## **Article 16**

Municipal agriculture services shall keep registers of petitions filed pursuant to Article 11 above, and rulings become effective under Article 14 above.

## **Article 17**

*(Last Amendment - SG No.99/2002)*

(1) *(Last Amendment - SG No. 68/1999)* Ownership of agricultural land within new actual boundaries shall be restored using plots of land of similar proportion and quality, appropriately lessened in the cases under Article 15, paragraph 3, and where possible in the same localities where petitioners' estates owned by them even prior to the establishment of labour co-operative farms, state-owned farms, or other agricultural organisations based thereon had been located. New actual boundaries shall be established by way of a land reallocation plan. Restitution of title shall be made by a ruling of the municipal agriculture service rendered on the basis of a valid land reallocation plan. Said ruling shall include a description of the agricultural land's proportions and category, its location, confines, neighbours, as well as any limitations on the property and the reasons for such limitations. A plan of the property shall be also annexed to the ruling. A ruling having entered into force with a plan annexed to it, shall certify the ownership right and shall be valid as an ascertaining notarial title deed for the property. Where a ruling restitutes ownership right over agricultural land to a deceased owner, the ruling shall be issued for all his/her heirs together, except in the cases under paragraph 2. The shares of the heirs shall be defined as per the Inheritance Act, without being specified in the ruling.

(2) *(Repeal-SG No. 99/2002)*

(3) *(Repeal-SG No. 98/1997)*

(4) *(Last Amendment - SG No. 98/1997)* Separate land reallocation plans shall be adopted in respect of territories occupied by perennial crops, rice fields and canal equipment, which shall be part and parcel of the land reallocation plan for the entire territory.

(5) *(Last Amendment - SG No. 98/1997)* By way of a land reallocation plan, any particular owner's plots of land within a locality shall be restored in one and the same area.

All other requirements to which a land reallocation plan and the manner of its elaboration, as well as any technical activities relating to its drawing up and to the survey of estates under Article 14, paragraph 1, subparagraph 1 should conform, shall be set forth in the Rules on the implementation of this Act.

(6) Restitution of property shall take place after harvesting of the crop unless the proprietor pays compensation.

(7) *(Last Amendment, SG No. 79/1996)* Prior to entry into force of the land reallocation plan petitioners who have been issued a permit under Article 14 (1), point 2, or where partitions have been effected under the procedure laid down in Subparagraph 2, may be put in possession of agricultural lands in such proportions as shall not exceed the ones specified in the decision.

(8) *(Last Amendment - SG No. 99/2002)* A land reallocation plan already in force and an approved chart of existing or restorable real agricultural land boundaries may be reworked in the event of a manifest factual error, following an order of the Minister of Agriculture and Food or of an official duly authorised by the Minister. The order shall be promulgated in the State Gazette and shall be notified by the municipal agriculture service in the municipality. In redressing such error affected individuals shall be indemnified according to Art. 10b, Paragraph 1.

(9) *(Repeal-SG No. 98/1997)*

## **Article 18**

*(Last Amendment - SG No. 99/2002)*

(1) Proprietors of farmland located within consolidated plots of perennial plants, rice fields and irrigation facilities shall be under the obligation to manage them by executing all applicable agrotechnical and agrochemical operations.

(2) Proprietors under Paragraph 1 may not destroy perennial plants, rice fields and irrigation facilities located in their own consolidated plots of land prior to the expiry of the period of depreciation, except in compliance to a permission of the Minister of Agriculture and Food or any members of the staff duly authorized by him.

(3) Perennial plants shall be subject to destruction following the procedures under Paragraph 2 within a period of one year after delivery of said permission.

## **Article 19**

*(Last Amendment - SG No. 49/2014)*

(1) The municipality shall run and manage the agricultural land that has remained after the rights of the proprietors have been reinstated. Following the entry into force of the land allocation plan and of the approved map of existing and old actual boundaries which can be restored, such land shall become municipal property.

(2) *(New, SG No. 13/2007)* The defining of the estates under paragraph 1 shall be done by a commission, appointed by the director of the district directorate "Agriculture and Forestry", which comprises representatives of the municipal agriculture service, of the

Agency on Geodesy, Maps and Cadastre, of the municipality, of the state forestry and/or state wild animals stations.

(3) *(New-SG No. 13/2007)* The terms and the procedure for defining the estates under paragraph 1 shall be set out in the Rules on the implementation of this Act. The protocol decision of the commission under paragraph 2 shall be mentioned as well in the municipality property acts as a ground for their drafting

(4) *(Repeal -SG No. 62/2010).*

(5) *(Repeal -SG No. 62/2010).*

(6) *(Last Amendment - SG No. 49/2014)* When there is an approved cadastral map about the settlement, the establishment of the boundaries of the agricultural lands shall be done according to the Rules on the Application of this Act.

(7) *(Repeal -SG No. 62/2010).*

(8) *(Repeal -SG No. 62/2010).*

(9) *(Repeal -SG No. 62/2010).*

(10) *(Repeal -SG No. 62/2010).*

(11) *(Repeal -SG No. 62/2010).*

(12) *(Repeal -SG No. 62/2010).*

## **Article 19a**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) *(Last Amendment - SG No. 99/2002)* Terms and procedures of compensation shall be prescribed by the Rules on the implementation of this Act.

(2) *(Repeal-SG No. 98/1997)*

(3) *(Repeal-SG No. 98/1997)*

(4) *(New-SG No. 99/2002)* Within proprietor compensation proceedings the municipal agriculture service shall deliver a decision with regard to:

1. Determination of the right to compensation following the procedures under Art. 10b, 10c, and Art. 35, also specifying the amount of compensation,

2. Determination of the amount of compensation in land and/or registered compensation bonds in accordance with the Paragraph 5 index,

3. Compensation of proprietors by offering registered compensation bonds,

4. Compensation of proprietors by offering farmland.

(5) *(New-SG No. 99/2002)* The municipal agriculture service shall pass a memorandum to determine an index representing the relation of the value of land offered in compensation to the value of compensation in land due on the territory of the relevant municipality that will be used to reduce the value of compensation in land for all rights' claimants.

(6) *(New-SG No. 99/2002)* Where, in the process of determining compensations in land, estates are formed that are smaller than 3 decares as regards cornfields, 2 decares as regards meadows, and 1 decare as regards perennial plants, compensation shall be effected through granting such estates to several co-proprietors, each co proprietor being entitled to a fractional interest in correspondence to the value of his compensation.

(7) *(Last Amendment - SG No. 61/11.08.2015)* The decisions of the Municipal Agriculture Services under para. 4, para. 1 and 4 may be amended on the basis of the grounds specified in art. 14, para. 7 and upon request made by the Minister of the Agriculture and Food or the interested parties- within one year after their entry into effect but not later than three years after the compensation plan entry into effect as well as under the conditions and the procedure of art. 14, para. 6.

(8) *(Last Amendment - SG No. 62/2010)* Judicial expert examinations to be filed upon appeal of unicipal agriculture services decisions on fixing amounts of compensation under Paragraph 4, item 1, shall be entrusted registered under art. 15 of the Independent Appraisers.

(9) *(New-SG No. 99/2002)* The municipal agriculture service shall issue a decision for the determination of compensation under Paragraph 4, item 3, where under conditions laid out in Art. 35, Paragraph 1 acts of the court or of real estate property bodies underlying said decision, have been delivered or submitted after fixing the index under Paragraph 5.

(10) *(New-SG No. 99/2002)* Provisions of Art. 17, Paragraph 1, sentences 4 - 8 shall apply mutatis mutandis to decisions of the municipal agriculture service.

## **Article 20**

*(Last Amendment - SG No. 99/2002)*

(1) *(Last Amendment - SG No. 79/1996)* Landless persons and small proprietors shall be granted land by respective municipal agriculture services from the national and municipal land reserves by way of transferring the property rights or leasing out by such terms and under such procedure as shall be prescribed in an ordinance enacted by the Council of Ministers.

(2) *(Last Amendment - SG No. 99/2002)* The size and locality of lands to be granted shall be specified by the Minister of Agriculture and Food on a motion by the municipal agriculture service as regards lands belonging to the State landed reserve, and by the municipal council where lands constituting municipal landed funds are concerned, in proportion to the factual availability of landed funds in the respective territory. Same authorities shall specify what part thereof shall be transferred in possession or leased out. Agricultural estates granted by virtue of a land provision plan to individuals with little or without any real property may not be smaller in size than 3 decares as regards cornfields, 2 decares as regards meadows, and 1 decare as regards perennial plantations. Real estate below these sizes may be granted to individuals eligible for obtaining land provisions upon their written consent.



(3) *(Last Amendment - SG No. 99/2002)* Land shall be granted within the territory of the settlement where a person takes up his permanent abode, or where his agricultural lands have been reinstated, as well as within neighbouring territories. Provision of land may be operated from other landed funds of the municipality upon the written consent of the individuals with little or without any real property where no land or a shortage of land exists.

(4) Persons thus vested with landed property may not transfer said property before the expiry of 10 years of the date of acquisition unless the transfer is made to the State or the local Municipality.

## **Article 21**

*(Last Amendment - SG No. 99/2002)*

(1) *(Last Amendment - SG No. 28/1992)* Among persons eligible to be thus vested with property, preference shall be given, as follows:

1. persons who are engaged in farming in a local settlements;

2. *(Last Amendment - SG No. 99/2002)* persons, residing permanently in a local settlement, who have relinquished land to the State land reserve in another settlement;

3. graduates in farming and young couples who undertake to engage in farming;

4. persons dispossessed of agricultural land for state or public policy needs.

(2) *(Last Amendment - SG No. 99/2002)* Among applicants of the same category, preference shall be given, in the ranking order set out below, to individuals who:

1. Have been registered with the Municipal Social Assistance Service and/or Labor Office and do not own any land or own less in comparison to others,

2. Do not own any land or own less in comparison to others.

(3) Municipal agriculture service's rulings on petitions shall be notified to persons concerned pursuant to the Code of Civil Procedure and may be appealed against pursuant to Article 14 above.

## **Article 22**

Persons outside categories under the preceding article shall be vested with property rights in land subject to a ruling of the municipal agriculture service on results of auction held according to rules set by the Council of Ministers.

## **Article 23**

*(Last Amendment - SG No. 13/2007)*

(1) *(Last Amendment - SG No. 13/2007)* Where land is granted, ownership shall be acquired upon the entry into force of the decision of the municipal agriculture service. The

decision shall be entered into the registers of the Registry Service. A lawful mortgage shall be established on the estate until the payment of the sums due for the grant of the land.

(2) *(New-SG No. 13/2007)* The municipal agriculture service shall issue a decision for repeal of the grant of land for the benefit of the state land fund or of the municipal land fund in case of non-fulfilment of the obligations defined in the Ordinance under Art. 20, paragraph 1, by the persons to whom the land has been granted or in case of falsely declared data, used for the issue of the decision.

(3) *(New-SG No. 13/2007)* The repeal decision for the grant of land shall be issued within three months from the establishment of the infringement.

(4) *(New-SG No. 13/2007)* The repeal decision for the grant of land shall be communicated to the interested persons according to the procedure of the Civil Procedure Code and shall be subject to appeal according to the procedure of Art. 14, paragraph 3. The decision which has entered into force shall be entered into the Registry Service.

### **Article 23a**

*(New-SG No. 13/2007)*

The decisions of the municipal agriculture services under Art.21, paragraph 3 and under Art.23 shall be subject to amendments on the grounds of and according to the procedure of Art. 14, paragraph 7 within two years from their entry into force, but not later than three years from the entry into force of the land granting plan, as well as under the terms and procedure of Art. 14, paragraph 6.

## **Chapter Three**

### **LAND HELD BY THE STATE, MUNICIPALITIES, AND LEGAL PERSONS**

**(Title Last Amendment - SG No. 98/1997)**

### **Article 24**

*(Last Amendment - SG No. 98/28.11.2014, in force as of 28.11.2014)*

(1) *(Last Amendment - SG No. 99/2002)* The State shall retain its ownership of agricultural lands according to the status quo at the time of entry of this Act into force, with the exception of the lands subject to restitution. The Minister of Agriculture and Food shall exercise the owner's rights in respect of lands included in the State landed fund, by letting or leasing them out, by establishing limited real rights thereon, by executing sales and exchanges for farmland belonging to individuals and legal entities of an equivalent valuation determined in accordance with Regulations provided for under Art. 36, Paragraph 2.

(2) *(Last Amendment - SG No. 98/28.11.2014, in force as of 28.11.2014)* The property rights of the State over agricultural lands allotted to research, research and manufacture, and academic institutions, inclusive of the Ministry of Transportation, to the penitentiaries, to seed production and pedigree animal farms, fruit tree nurseries, pepper nurseries, forest nurseries and hunting estates, as well as to the Ministry of Regional Development and Public Works inasmuch as are necessary for their activities, shall be retained in such proportions as

correspond to such institutions' basic nature of business and as determined by the Ministry of Agriculture and Food following consultations with all administrations concerned.

(3) (*Last Amendment - SG No. 99/2002*) The State's ownership of agricultural land allotted to the Ministry of Defence, the Ministry of the Interior and other departments directly pertaining to the national defence and security, shall be retained on territories and in size determined by the Council of Ministers on a motion by the Minister of Defence, or by the Minister of the Interior, respectively, or by the head of the respective department. Where compelling circumstances related to national defence and security are no longer found the above farmland shall be made part of the State landed reserve by virtue of a Decision of the Council of Ministers.

(4) (*Last Amendment - SG No. 133/1998*) Proprietors shall not be reinstated in ownership of agricultural lands which have been included in parks of national significance and natural reserves, exclusively state owned, as identified under the provisions of the Protected Territories Act, or of land where immovable archaeological sites are located on or below its surface.

(5) (*New-SG No. 45/1995*) The lands under paragraphs 2, 3 and 4 shall be the property of the State. These may only be used for the purposes for which they had been granted. The users of such lands shall not be entitled to permit other persons to use such lands.

(6) Proprietors under paragraphs (2), (3) and (4) above shall be granted compensation pursuant to Article 10b, paragraph (1).

(7) (*Last Amendment - SG No. 99/2002*) Land in the State landed reserve shall not be acquired by prescription. Seizure thereof from individuals who are in possession in the absence of a legally valid title or use these not in accordance with their intended purpose shall be operated following the terms and conditions of Art. 34, irrespective of the manner in which the State has acquired them.

(8) (*New-SG No. 13/2007*) In the instances of paragraph 3, when the need relating to the defense and security of the country stops to exist, upon a request by the former proprietor or his heirs, the district governor shall repeal the expropriation if the persons have not been compensated. The district governor shall transmit the request to the Minister of Agriculture and Food for an opinion.

(9) (*New-SG No. 13/2007*) The request under paragraph 8 shall be deposited within 6 months from the date of the publication of the decision of the Council of Ministers under paragraph 3 in the State Gazette.

(10) (*New-SG No. 13/2007*) The terms and procedure for the repeal of the expropriation shall be determined by an Ordinance of the Council of Ministers.

(11) (*Repeal-SG No. 10/2009*)

(12) (*New-SG No. 13/2007*) The state shall be represented before the court by the Minister of Agriculture and Food regarding cases relating to lands from the state land fund.

(13) (*New-SG No. 62/2010*) The appraisal of limited real rights and easements on lands from the state land fund shall be determined pursuant to the Ordinance under Art. 36,

paragraph 2. The value determined by shall be the lowest price according to which limited real rights and easements can be established.

## **Article 24a**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) The lease or rent of estates belonging to the State landed reserve shall be operated on the occasion of an auction or competition in accordance with the terms, conditions, and prices determined within the Rules and Regulations for the implementation of this act. On the basis of the outcome of said auction or competition a contract for lease or rent shall be signed. The duration of a lease contract may not exceed 10 years.

(2) Farmlands belonging to the State landed reserve may be leased or rented without auction or competition:

1. *(Last amendment – SG No. 25/2012)* Where perennial plantations are grown on these or permanently attached functioning aquaculture facilities are constructed thereto,

2. Where no use has been made thereof during two or more annual farming cycles,

3. To users under Art. 24, Paragraph 2 where these have formed commercial companies, and

4. Upon privatisation of commercial companies under item 3 - for the period of excess of the duty to keep preceding activities, as provided for in a privatisation contract, over the duration of the contract for lease or rent.

5. *(New, SG No. 94/2009)* in the cases under Art. 37c, para.10.

6. *(Last Amendment - SG No. 14/20.02.2015)* to owners or users of animal husbandry sites with pasture agricultural animals, registered in the Integrated Information System of the Bulgarian Food Safety Agency (BFSA), in case that the lands are pastures, grasslands or meadows.

(3) *(New-SG No. 13/2007)* The Minister of Agriculture and Food shall determine, upon a proposal by the district directorates "Agriculture and Forestry", small size estates from the state land fund which can be rented for use for a year without tender or competition.

(4) *(New – SG No. 25/2012)* All agricultural lands belonging to the State Land Fund for which contracts under Pars. 1, 2 and 3 have been concluded, may be leased or rented to third persons, except where such lands are the subject of an agreement concluded pursuant to Art. 37c.

(5) *(Last Amendment - SG No. 14/20.02.2015)* Except for pastures, grasslands and meadows under (6), p. 4, the lease or rent of estates belonging to the municipal land fund shall be conducted through auction or competition in accordance with the terms and procedures determined by the Municipal Council. On the basis of the outcome of said auction or competition a contract for lease or rent shall be signed. The duration of such lease contract may not exceed 10 years.

(6) *(Former Par. (5) - SG No. 25/2012)* All lands belonging to the State land fund may be leased or rented without auction or competition:

1. where perennial plantations are grown on these;
2. where no use has been made thereof during two or more annual farming cycles;
3. in the cases under Art. 37c, Par. 10;

4. *(Last Amendment - SG No. 14/20.02.2015)* to owners or users of animal husbandry sites with pasture agricultural animals, registered in the Integrated Information System of BFSA, in case that the lands are pastures, grasslands or meadows.

5. *(Former P. 4 - SG No. 38/ 2014)* in all other cases provided for by the law.

(7) *(Former Par. (6) - SG No. 25/2012)* Upon mayor's proposal, the Municipal Council shall determine small size estates within the municipal land fund which may be leased for a period of 1 year without auction or competition.

(8) *(New – SG No. 25/2012)* No affiliated persons by virtue of the Commerce Act and no affiliated enterprises by virtue of the Small and Medium-Sized Enterprises Act which cultivate more than 10 000 decares of land shall be admitted to the auctions and competitions under Par. 1.

(9) *(New - SG No. 61/11.08.2015)* Upon conclusion of rent or lease contracts under the procedure of para. 1 or 5 with reference to estates which, on the day of signing the contract, wholly or partly do not fall in the current specialized layer under art. 5, para. 2 of Regulation No 2 of 17 February 2015 on the agricultural lands eligibility criteria for aid under area payment schemes and measures (SG, No 15/2015), no rental or lease payment is due for one marketing year as of the conclusion of the contract.

#### **Article 24b**

*(New-SG No. 13/2007)*

(1) The Minister of Agriculture and Food shall grant for free estates from the state land fund to the organisations and services under Art. 24, paragraph 2 and 3, which are necessary for their activities.

(2) The lands under paragraph 1 shall be used only for the purposes for which they have been granted. Their users shall not have the right to grant them for use by third parties.

#### **Article 24c**

*(New-SG No. 13/2007)*

The prior consent of the Minister of Agriculture and Food shall be required for the assignment of the drafting of a detailed regulation plan which involves lands from the state land fund.

#### **Article 24d**

*(Last Amendment - SG No. 62/2010)*

(1) *(Last Amendment - SG No. 10/2009)* Exchange of agricultural lands from the state land fund with agricultural lands of natural persons and legal entities may not be effected except in the cases stipulated for by the law.

(2) *(Last Amendment - SG No. 62/2010)* Exchange of agricultural lands from the state land fund with agricultural lands of natural persons and legal entities may be effected when:

1. *(Last Amendment - SG No. 62/2010)* this is the method of termination of joint ownership;

2. this is the only method of performing obligations ensuing from an international contract;

3. the properties subject of exchange are included in an expansion project under Art. 37f and 37h.

(3) The Minister of Agriculture and Food shall decide with a prior written statement on the proposal for exchange within one month. When the statement is favourable, it shall include as well the terms for the execution of the exchange.

(4) The exchange of agricultural lands under paragraph 1 shall not be done when the lands – property of citizens, legal persons or municipalities, are encumbered with mortgages or other charges, are rented or leased, are located in sanitary-protective areas, there is no direct access to them, as well as in other cases, provided for in the Rules on the implementation of this Act, or the exchange is not in the interest of the state.

(5) For the preparation of the exchange a file shall be prepared, containing documents certifying the right of ownership over the estates subject to the exchange, their appraisals, the compliance with the legal conditions and with the terms under paragraph 3.

(6) For the execution of the exchange the Minister of Agriculture and Food shall issue an order. Within one month from the announcement of the order the interested person shall pay the due taxes, charges, expenses and other payments.

(7) On the basis of the order a written contract shall be concluded within one month from the payment of the amounts under paragraph 6. The contract shall be entered in the Registry Agency at the location of the estates at the expense of the applicant. A notarial form shall not be required.

(8) When the applicant does not pay the due amounts within the term under paragraph 6 or does not appear to conclude the contract within the term under paragraph 7, it shall be considered that he renounces to conclude the transaction.

(9) *(Last amendment - SG No. 62/2010)* The exchange of agricultural lands from the municipal land fund with agricultural lands of citizens, legal persons and the State shall be done upon a Municipal Council's decision in accordance with the terms and procedure set forth by this Act and the Municipal Property Act following submission of reasoned statement to the municipal agriculture service.

(10) *(Last amendment - SG No. 62/2010)* All agricultural lands acquired pursuant to Par. 2, item 3 through exchange of agricultural lands from the State land fund or from the municipality land fund by physical or legal persons except for municipalities, shall not be partitioned through right-transferring transactions during a period of 10 years as from the execution of the exchange nor their purpose shall be changed during the same period.

(11) *(New – SG No. 10/2009)* The Minister of Agriculture and Food shall publish on the webpage of the Ministry the orders for exchange of agricultural lands from the state land fund, with exception of those containing personal data.

#### **Article 24e**

*(New - SG No. 61/11.08.2015)*

(1) Owners of orchards may be granted the right to establish ownership with reference to agricultural lands from the state and the municipal land fund on market prices 5 years after the initial planting and under the condition that they are:

1. established and are used by virtue of a contract with the Minister of Agriculture and Food, respectively the Mayor of the municipality;

2. acquired after a privatization transaction;

3. acquired by the organizations under § 12 of the Transitional and Final Provisions.

(2) Within 20 years period after acquisition of the ownership right with reference to the agricultural lands under para. 1, no change in the way of their continual use as well as a change in their designation for non-agricultural needs can be made.

#### **Article 25**

*(Last Amendment - SG No. 16/2013)*

(1) *(Last Amendment - SG No. 10/2009)* Agricultural land which is not in possession of natural persons, legal entities or the state, is municipal property. The ownership of the municipalities upon common lands and pastures is public and may not be declared private municipal ownership in case of change in the function of the common lands and pastures pursuant to the Municipal Ownership Act in the cases specified in Par. 3. The municipal council may determine a fee for use of the municipal common lands and pastures, which shall be used for their maintenance.

(2) *(Last Amendment - SG No. 98/1997)* Municipalities shall be reinstated in ownership of agricultural land of which they were dispossessed to benefit state-owned farms, labour co-operative farms, agricultural and industrial complexes, agricultural companies, as well as state-owned forest lands, where such land was included in the State forestry fund, except in the instances of forest nurseries and protective forest belts.

(3) *(New – SG No. 10/2009)* Change in the function of the common lands and pastures under Par. 1 shall be permitted as an exception for the following purposes:

1. Building of projects of the technical infrastructure under the meaning of the Territorial Planning Act;

2. *(Last Amendment – SG No. 16/2013)* Investment projects that have received certificate for class A or class B investments or for a priority investment project under the Investment Promotion Act, where this has been applied for upon certification of the project;

3. *(Last Amendment - SG No.62/2010)* ) Establishment of new or inclusion of lands within the boundaries of existing urbanized territories (inhabited places or residential establishments), as well as the establishment of new or inclusion of lands within the boundaries of specific regulated agricultural estates outside these;

4. Investment projects related to the social and economical development of the municipality.

5. *(New - SG No. 62/2010)* all other cases provided for by the law.

(4) *(New – SG No. 10/2009)* In the cases under Par. 3 limited real rights and easement may be established upon the common lands and pastures.

(5) *(Last Amendment – SG No. 62/2010)* The municipal council shall adopt a resolution for preliminary consent for change in the function under Par. 3 and for establishment of the rights under Par. 4 with a three-fourth majority of the total number of municipal councilors, in compliance with the special acts and norms regarding maintenance of a reserve of permanently grassed areas, and provided that there is no insufficiency of lands for the needs of the animal husbandry. The resolution adopted by the municipal council shall also determine the time of validity of the preliminary consent.

(6) *(New – SG No. 10/2009)* Change in the function of the common lands and pastures shall be performed in compliance with the provisions of the Protection of Agricultural Lands Act.

(7) *(New – SG No. 10/2009)* Change in the function of the common lands and pastures for the needs of a legal entity or a natural person shall be allowed after establishment of the limited real rights under Par. 4 in favour of that legal entity or natural person.

(8) *(Repeal – SG No. 62/2010)*.

(9) *(New – SG No. 10/2009)* The terms and conditions of change of the method of permanent use of the common lands and pastures for other agricultural needs shall be specified in the regulation for application of the act.

(10) *(Repeal – SG No. 62/2010)*.

## **Article 26**

*(Last Amendment - SG No.62/2010)*



Minister of Agriculture and Food or persons authorized by him and municipal councils may grant usufruct in state and municipal land to individuals where such land is in low-productivity or depopulated areas as determined by the Council of Ministers. Users, who have cultivated such land for a period over 10 years, may be granted ownership subject to a resolution of the Municipal Council and by order of the Minister of Agriculture and Food, when ownership of land from the State Land Reserve shall be granted.

## **Article 27**

*(Last Amendment - SG No.94/2009)*

(1) *(Last Amendment - SG No. 79/1996)* Proprietors of land incorporated in labour co-operative farms and state farms, members of labour co-operative farms or of other agricultural organisations set up on the basis thereof, as well as all persons in legal labour relations with them, shall be entitled to a share of such entities' property. Shares shall be assessed on the basis of a person's contribution to the acquisition thereof: contributed land, perennials, length of service and moneys paid up for the acquisition of machinery and equipment not cleared by subsequent payment. The distribution of shares shall be effected under the terms and procedures laid down in the Rules on the implementation of this Act, in equal proportions of contributed land and length of service and following the reimbursement of moneys provided for the acquisition of machinery and equipment not cleared by payment. Where a rightful claimant has not made contributions of land and fixed assets, his years of service shall be taken into account, provided they are not less than five (5).

(2) Members of co-operative farms shall have the right to withdraw their shares at termination of membership.

(3) Persons, and their inheritors, who have terminated their membership before this Act comes into force shall also be entitled to shares.

(4) *(Repeal-SG No. 98/1997)*

(5) *(Last Amendment - SG No. 98/1997)* In the event that several persons under paragraph 1 have requested to be granted a certain chattel related to agricultural production in exchange of shares in the organisation under § 12 of the Transitional and Concluding Provisions, priority shall have those who manufacture agricultural produce or provide manufacturing services related thereto; and if several persons should satisfy this requirement, priority shall have those whose shares cover a larger portion of the requested chattel's value.

(6) *(Last Amendment - SG No. 13/2007)* Persons who have acquired ownership over buildings and facilities from the property of the organisations under § 12 of the Transitional and Concluding Provisions, shall be entitled to utilise, as of the day of the acquisition of the buildings and against payment, the non-built part of land surrounding such buildings within such size as set by the law for a period of one year following the entry into force of the land allocation plan. The rental amount shall be determined by the respective District Governor. The said persons shall have the right to acquire the property over that land and over the built-up portion of it by way of:

1. *(Last Amendment - SG No. 98/1997)* a three-year instalment plan involving payment by equal annual instalments of the outstanding amount increased by 20 per cent of the annual inflation rate;

2. *(Repeal-SG No. 98/1997)*

3. submitting of an equal amount of land to the State landed fund. If the person in question is a legal person, such submission of land may be effected by its members following the appropriate procedure.

(7) *(Last Amendment - SG No. 98/1997)* Persons having a share in a co-operative under Article 27, upon leaving such co-operative shall have the right to receive a portion of the property of the organisations under § 12 of the Transitional and Concluding Provisions in proportions corresponding to their shares.

(8) *(New – SG No. 10/2009)* The Minister of Agriculture and Food, or an official duly authorized by the latter, may dispose of lands which are not occupied with buildings and appliances or adjacent areas of the organizations under § 12 of the transitional and final decrees and under § 29 of the transitional and final decrees of the Law on amendment and supplement of the Ownership and Use of Agricultural Lands Act (Promulgated – SG No: 45/1995, modified – SG No: 46/1995, No: 59/1995 – Resolution № 8 of the Constitutional Court of 1995; amended – SG No: 79/1996, No: 15/1997 – Resolution № 3 of the Constitutional Court of 1997; amended – SG No: 98 and 124/1997), which are unfit for agricultural use and are not subject to reinstatement only by means of tender pursuant to the provisions of the regulation for application of the act.

(9) *(New, SG No. 94/2009)* The Minister of Agriculture and Food puts on a proposal to the District Governor for the issuance of acts of state ownership of data disposed by the District Agriculture Office.

(10) *(New, SG No. 94/2009)* The District Governor of the property location region is entitled to issue a state ownership act of the former farmyards of the organizations under para.12 of the transitional and final regulations and under para.29 of the transitional and final provisions of the Law on Alteration and Supplementation of the Agricultural Land Ownership and Use Act, in which territories are situated buildings or facilities owned by them; it does not matter whether they have been built legally or not, as well as to issue a state ownership act for the unoccupied or adjoining areas which are unserviceable for agriculture use and unredeemable lands within one month after the receipt of the proposal under ara.9. The state ownership act is subject to entry in the register.

**Article 27a**

*(New - SG No. 61/11.08.2015)*

(1) The owners of buildings and facilities from the property of the terminated organizations under § 12 of the Transitional and Final Provisions owe sums for the use of the land until being granted the right of ownership with reference to the built-up and the neighbouring areas.

(2) The persons who have been granted the right of ownership with reference to the buildings and the facilities under para. 1 before 9 February 2011, owe sums for the use of the land after that date.

(3) The persons who have been granted the right of ownership with reference to the buildings and the facilities after 9 February 2011, owe sums for the use of the land as of the date of acquisition of the buildings or the facilities.

(4) Upon disposing of the right of ownership regarding the buildings or the facilities under para. 1, a document for paid use of the land sums until the date of disposing of the buildings or the facilities needs to be submitted.

## **Article 28**

*(Last Amendment - SG No. 28/1992)*

(1) *(Last Amendment - SG No. 28/1992)* Labour co-operative farms shall be reinstated in ownership of agricultural land, fixed and financial assets, etc. as dispossessed of them or of state-owned farms based on them to benefit other entities.

(2) Where such property is an indivisible part of existing assets and the project has not changed its purposes since its foundation, it shall be restituted to the proprietor who will reimburse the difference in value.

(3) Where a labour co-operative farm's property was ceded to a state owned farm, a tractor depot and to other state-owned organisations, and has been subsequently incorporated into corporate property, the labour co- operative farm's equity share, or that of its legal successors, shall be determined in proportion to the property transferred by the labour co- operative farm to a state-owned farm and to other state-owned organisations.

(4) *(Repeal - SG No. 28/1992)*

(5) *(Repeal - SG No. 28/1992)*

## **Article 29**

*(Last Amendment - SG No. 99/1992)*

(1) *(Last Amendment - SG No. 99/2002)* The Bulgarian Orthodox Church and the other religious denominations, co-operatives and other organisations, shall, at their request, be reinstated in ownership of agricultural land, as dispossessed, unless such land has since been lawfully built up for purposes other than farming, or granted to individuals. In such cases the above organisations shall be compensated with land equal in quality and area from the State or Municipal Land Reserves. In the absence of such land proprietors shall be compensated with registered compensation bonds.

(2) Subject to consent of the organisations under paragraph (1) above, reinstatement in ownership may be done elsewhere in the country.

## **Article 30**

*(Last Amendment - SG No. 68/1999)*

(1) *(Last Amendment - SG No. 68/1999)* Any property of the expunged organisations under § 12 of the Transitional and Concluding Provisions, which the persons specified in Article 27, paragraph 1 do not wish to receive as a share, and which cannot be sold out, shall be ceded gratis free to the municipality in whose territory it is located. In the presence of state property, municipalities shall be obligated to render the same to the Ministry of Agriculture and Food.

(2) (*New - SG No. 68/1999*) Following the expiry of a 5-year period starting from transferring the property under paragraph 1, sentence 1, such property shall pass into ownership of the municipality.

(3) (*New - SG No. 68/1999*) The documents of the expunged organisations under § 12 shall be submitted according to an inventory, by the persons under § 29 of the Transitional and Concluding Provisions of the Act on the Amendment of the Ownership and Use of Agricultural land Act (promulgated, SG 45/1995; amended, 46/1995; 59/1995: Ruling No. 8/1995 of the Constitutional Court; amended, 79/1996; 15/1997: Ruling No. 3/1997 of the Constitutional Court; amended, 98/1997) to the Mayor in the municipality where the organisation had its registered seat.

## **Chapter Four**

### **LANDED PROPERTY AUTHORITIES**

#### **(Title Last Amendment - SG No. 28/1992)**

#### **Article 31**

*(Last Amendment - SG No. 15/2013, in force as of 01.01.2014)*

(1) (*Last Amendment - SG No. 99/2002*) Land property authorities shall be the Ministry of Agriculture and Food and all Regional Agriculture and Forestry Directorates and the municipal agriculture services.

(2) (*Last Amendment - SG No. 68/1999*) On a motion of the Minister of Agriculture and Food in agreement and co-ordination with the Finance Minister, the Council of Ministers shall adopt a tariff of state fees to be charged, for keeping and updating land reallocation plans and for any other administrative services provided by land property authorities. Revenues from such fees shall be deposited into the budget of the Ministry of Agriculture and Food.

(3) (*Last Amendment - SG, No. 15/2013, in force as of 01.01.2014 (does not affect the english version)*) Under certain conditions, a contract the Ministry of Agriculture and Food provides free public authorities - officers and the general digital map of restored ownership necessary for the performance of their powers.

#### **Article 32**

*(Repeal - SG No. 28/1992)*

#### **Article 33**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) (*Last amendment - SG No. 15/2013q in force as of 01.01.2014*) District Agriculture Directorates shall be specialized territorial administrative bodies with the Minister of Agriculture and Food. They shall be legal persons with budget funding. Municipal agriculture services shall be territorial branches of the District Agriculture Directorates. The functions, structure, work organization and number of employees within the District Agriculture

Directorates shall be specified in Rules and Regulations issued by the Minister of Agriculture and Food.

(2) *(Last Amendment - SG No. 36/2004)* Municipal agriculture services shall restore property over land and forests under the provisions of this Act, shall implement government agricultural policy on their territory, and shall conduct other activities under the Application Regulations to this Act and the Organisation Rules of the Ministry of Agriculture and Food. Municipal agriculture services shall keep and update land reallocation plans and other materials or data obtained in the course of implementing this Act, and shall issue land plans while transacting and partitioning agricultural land until cadastral maps and cadastral registers are adopted for their territory according to the provisions of the Cadastre and Property Register Act.

(3) *(Last Amendment - SG No. 106/2000)* Performance of activities related to maintenance and update of land reallocation plans and of other materials and data obtained in result of the enforcement of this Act, shall be assigned by the Minister of Agriculture and Food, or by persons duly authorised by the Minister, on a motion by the municipal agriculture service to contractors within one month following the entry into force of land reallocation plans.

(4) *(Last Amendment - SG No. 87/1997)* The powers of the Minister of Agriculture and Food relative to the implementation of this Act may also be exercised by persons authorised by him in writing.

(5) *(Repeal - SG No. 62/2010)*

(6) *(Last Amendment - SG No. 61/11.08.2015)* The decisions of the municipal agricultural offices in connection with the restitution of property and compensation to the owners under this Act and the recovery of ownership of forests and forest lands, as well as in connection with land to citizens, signed by the head of office by officers appointed by and designated by order of the Director of the Regional Directorate "Agriculture" and by officials appointed by the Minister of Agriculture and Food.

#### **Article 34**

*(Last Amendment - SG No. 44/2012, in force as of 01.07.2012)*

(1) *(Last Amendment - SG No. 25/2012)* At the legally grounded request of the owners or users, the agricultural lands with reinstated right of ownership shall be confiscated by virtue of an order of the mayor of the municipality where the properties are located, from the persons using them illegally and shall be returned to their owners, respectively users. For the purpose of ascertainment of any illegal use the mayor must officially request information from State Fund Agriculture, the municipal agricultural service according to the location of the properties, the geodesy, cartography and cadastre agencies, respectively.

(2) *(Last Amendment - SG No. 30/2006, in force as of 12.07.2006)* Both a mayor's ruling as well as his refusal to issue such ruling shall be appealable under the terms and procedures presented in the Code of Administrative Procedure. No appeal shall suspend the execution of the ruling unless the court has ruled otherwise.

(3) *(Last Amendment - SG No. 44/2012, in force as of 01.07.2012)* A mayor's ruling shall be carried out through administrative channels and with the assistance of the Ministry of Interior authorities.

(4) *(Last Amendment - SG No.62/2010)* The lands under the Municipal Land Fund shall be seized from the persons using them without legal grounds pursuant to the procedure of Art. 65 of the Act on Municipal Property.

(5) *(Last Amendment - SG No. 13/2007)* No persons thus removed from the utilisation of the estate shall have any right to indemnification.

(6) *(Last Amendment - SG No.99/2009)* Within three days as of the date of issuing of the order under Par. 1, the unauthorized user of agricultural land may deposit with a municipal account for external funds an amount being triple the amount of the average annual rental payment for the lands belonging to the municipality for the preceding year for the whole period of unauthorized use. In this case the execution of the order shall be suspended and the legally authorized persons shall be notified within three days by the mayor of the municipality pursuant to the provisions of the Administrative Procedure Code, about their right to obtain the deposited amount. In case within 10 days of the notification the legally authorized persons declare written consent for obtaining the deposited amount, the issued order shall be suspended by the mayor of the municipality. In case of lack of explicit written consent, the issued order shall be subject to immediate execution.

(7) *(New – SG No. 10/2009)* The provisions of Par. 6 shall be indicated in the order under Par. 1.

(8) *(New, SG No. 94/2009)* In the cases of unauthorised use of lands from the National Land Fund, the ordinance under para. 1 is issued by the Director of the District Agriculture Office. The sums under para. 6 are transferred in the Ministry of Agriculture and Food bank account.

(9) *(New - SG No. 62/2010)* In the cases under Par. 4 the amounts due under Par. 6 shall be paid in the municipal budget.

#### **Article 34a**

*(Repeal-SG No. 68/1999)*

#### **Article 34b**

*(Repeal-SG No. 68/1999)*

#### **Article 34c**

*(Last Amendment - SG No. 99/2002)*

In the cases under Article 17, paragraph 8 and under §§ 31, 32 and 34 of the Transitional and Concluding Provisions of the Act on the Amendment of the Ownership and Use of Agricultural land Act (published, SG 98/1997; amended, 36 and 88/1998), starting from the date of publication in the State Gazette of the ruling for the reworking of the plan under Article 17, paragraph 8, all rulings of the municipal agriculture service and the public

deeds based on factual possession for the property affected by the reworking, issued on the basis of these rulings, shall be considered null and void by rights.

## **Chapter Five**

**(New - SG No. 98/1997)**

### **INDEMNIFICATION**

#### **Article 35**

*(Last Amendment - SG No. 38/ 07.05.2014)*

(1) *(Last Amendment - SG No. 16/2003)* Where restitution of property cannot be effected in any other way stipulated statutorily, agricultural land owners that are subject to restitution under this Act, shall be indemnified with registered compensation bonds.

(2) *(Repeal-SG No. 47/2002)*

(3) *(Last Amendment - SG No. 38/ 07.05.2014)* Registered compensation bonds shall be registered and have no cash value. The terms of their emission, the transactions and payments through them shall be regulated by a separate act. They can only be used for purchasing by auction of agricultural land from the State landed fund, for participation of their holders in the privatisation, as well as for acquisition of title to, and use of, land under Article 27, paragraph 6.

(4) *(New - SG No. 38/2014)* Participants in auctions for agricultural lands from the state land fund may be only owners of registered compensation bonds, compensation notes and home-purchase savings compensation notes.

(5) *(New - SG No. 38/ 2014)* Twenty per cent of the price offered in auctions for agricultural lands from the state land fund under Par. (3) shall be paid by the winner with money.

(6) *(Former Par. 4 - SG No. 38/ 2014)* Registered compensation bonds shall be transferable without limitations.

(7) *(Former Par. 5 - SG No. 38/ 2014)* Registered compensation bonds shall be inheritable.

(8) *(Former Par. 6 - SG No. 38/ 2014)* Registered compensation bonds may not be put up as collateral security, nor can be used as a means of payment, except from the instances specified in paragraph 3.

(9) *(Former Par. 7 - SG No. 38/ 2014)* Registered compensation bonds shall have a par value of one thousand units each. For the purpose of establishing the amount of indemnification payable to entitled persons by way of registered compensation bonds, as well as of any payments thereby in the instances specified in paragraph 3, each nominal value unit shall be equal to one Bulgarian Lev.

#### **Article 36**

*(Last Amendment - SG No. 62/2010)*

(1) Municipal agriculture services shall determine the pecuniary indemnification amount due and the number of registered compensation bonds owing to entitled persons under Article 35, paragraph 1.

(2) *(Last Amendment - SG No. 17/2006)* The indemnification amount under paragraph 1, including the one concerning farmlands within the confines of urbanized territories (settlements and populated areas) shall be determined pursuant to the terms and conditions of a Council of Ministers Ordinance.

(3) *(Last Amendment - SG No. 62/2010)* The appraisal of the municipal lands, upon which a right of use has been established on the basis of the acts referred to in § 4 of the Transitional and Concluding Provisions, shall be determined by a decision of the municipal council pursuant to the procedure of the Act on Municipality Property. The price determined by the municipal council shall not be lower than the appraisal determined pursuant to the procedure under paragraph 2.

### **Article 37**

*(Last Amendment - SG No. 99/2002)*

Terms, deadlines and procedure of indemnification with registered compensation bonds shall be prescribed by the Rules for Implementation of this act.

### **Article 37a**

*(New-SG No.47/2002)*

Land commissions shall be obliged to keep a register of the certification documents, sent to the bodies under the Transactions in Compensatory Notes Act, as well as of the certification documents received and delivered to owners of compensatory documents.

## **Chapter Five A**

**(New - SG No. 99/2002)**

### **Use of Farmland**

#### **Article 37b**

*(Last Amendment - SG No. 14/20.02.2015)*

(1) *(Last Amendment - SG No. 14/20.02.2015)* Each proprietor shall file with the municipal agriculture service at the estate location a declaration form indicating the type of management and the intended durable use of lands. A declaration filed by one of the co-owners can be used by all other co-owners. Users of farmland shall submit a copy of all lease, rent or joint farming contracts to the municipal agriculture service. Upon submission of two or more contracts which are not entered in the registry office, the registration is made with reference to the contract which is specified in the declaration filed by the owner. In case the owner has not filed a declaration, the municipal agriculture service notifies the



parties to the contracts. The municipal agriculture service shall keep a register of farmland proprietors and users and shall provide information concerning them to the users participating in the agreement under Art. 37c in view of promoting the use of larger lands and the establishment of consolidated plots of land.

(2) *(Last Amendment - SG No. 25/2012)* The declaration under Par. 1 shall be submitted not later than the 31<sup>st</sup> of July of the respective year in person or by proxy and shall be valid for the next economic year.

(3) *(Last Amendment - SG No. 14/20.02.2015)* Within the term under Par. 2 the users may file an application for participation in the agreement under Art. 37c with the Municipal agriculture service. Such application shall be accompanied by an inventory of the estates participating in consolidated lands for use in accordance with the contracts or other ownership documents registered with the Municipal agriculture service. The users enclose to the application a declaration, certifying that they are not related parties within the meaning of the Trade Act with persons who have failed to pay their obligations under art. 34, para. 6 and under art. 37c, para. 7 with reference to the lands under art. 37c, para.3, pt. 2 for the preceding business years.

(4) *(New – SG No. 25/2012)* Until 10<sup>th</sup> of August the municipal agriculture service shall submit to the commission under Art. 37c Par. 1 a paper and/or electronic list and map material concerning the estates under Art. 37c Par. 3 containing data about the owners thereof and the rent payment due.

### **Article 37c**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) *(Last Amendment - SG No. 14/20.02.2015)* *Massifs* for agriculture land use are created upon agreement between the landowners and/or land users. The conclusion of the agreement for each land belonging to the municipality is supervised by a commission appointed with an ordinance, issued by the Director of the District Agriculture Office by 5 August of the respective year. The members of the commission are: the Mayor of the town/village, the deputy-mayor or officials authorized by them, the Municipal Agriculture Office representative and a representative of District Agriculture Office. All users in the respective lands submit before the commission the agreements concluded with the landowners which have to be registered in the Municipal Agriculture Office and a landing account of the massifs and the plots of the leased or rented agriculture lands. Upon preparation of the project for allocation, in the activities of the commission also take part the owners and/ or the users of the agricultural lands in the respective estate who have declared their explicit willingness to participate in the procedure for establishment of plots for use under art. 37b, para. 3.

(2) *(Last amendment – SG No. 25/2012)* The agreement shall be concluded in a standard form, approved by the Minister of Agriculture and Food, and shall contain data about the commission, the participants, the estates or parts thereof allocated to them, including under Par. 3, and the rent payment due. The map for allocation of the massifs for agricultural land use shall be an integral part of the agreement. The agreement and the map shall be signed by the participants and shall be submitted to the chairman of the commission under Par. 1. Only users who have paid in their

liabilities under Par. 7 and Art. 34 concerning the lands under Par. 3, item 2 for the precedent economic years may be parties to such agreement. The agreement shall be signed and updated annually until 30<sup>th</sup> August for the following economic year pursuant to § 2, Subpar. 3 of the Additional Provisions of the Agricultural Lease Act. No estates declared for cultivation in real boundaries may be included in such agreement. The agreement shall enter into force only in case it comprises not less than two-thirds of the total area of massifs for land use within the relevant territory.

(3) (*Last Amendment - SG No. 25/2012*) When the users cannot reach an agreement, subject to par. 1, and the lands that the agreement does not cover the commission shall draft a project for allocation of the use of the lands by plots by 15th September of the respective year according to the following manner:

1. the right to use the respective plot shall be granted to the user with the biggest share of own and/or leased/rented agricultural land in the plot;

2. (*Last Amendment - SG No. 94/2009*) the agriculture land areas for which there are no agreements concluded and no declarations under art.37b submitted by their owners are subject to distribution between all users proportionally to the area and in accordance with the type of land cultivation of the owned and/or leased/rented agriculture land in the respective territory;

(4) (*Last Amendment - SG No. 14/20.02.2015*) The Commission shall report to the Director of the Regional Agriculture Directorate, which contains the agreement, the allocation of arrays to use data on land under par. 3, paragraph 2 of their owners and National Reference payment due on the basis of which the Director of the Regional Directorate of Agriculture issued an order for the distribution of arrays on the land before 1 October of that year. In the ordinance are also included the country roads which are projected in the land division plan and the irrigation canals in the plots for use of the respective user which do not function and which are marked in the land division plan, in the map of existing and reclaimable old borders and in the map of the restored property.

(5) (*Last Amendment - SG No. 25/2012*) The order under paragraph 4 shall be published in the mayoralty and in the building of the municipal agriculture service, and shall be published on the Internet site of the municipality and the respective district directorate "Agriculture and Forestry" by 10th October. The order shall be appealed according to the procedure of the Administrative Procedure Code.

(6) (*New - SG No. 13/2007*) The appeal of the order under paragraph 4 shall not stop its execution.

(7) (*Last Amendment - SG No. 61/11.08.2015*) The user of agricultural lands who, by virtue of the order under para. 4, is allocated the lands under para. 3, pt. 2, pays into other resources account in the respective Regional Directorate of Agriculture a sum in the amount of the average annual rental payment for the land within three months after the publication of the order under para. 4. The sums are deposits and are paid by the Regional Directorate of Agriculture to the entitled persons on the basis of the order under para. 4, issued by the Director of the Regional Directorate of Agriculture, within 10- year period. With reference to the users who have not paid the sums for the used lands under para. 3, pt. 2 in accordance with the order under para. 4, art. 34, para. 6 is applied upon request made by the Director of the Regional Directorate of Agriculture to the Mayor of the municipality. Participation in an

agreement and granting the right to use plots is not permitted with reference to a person-related party, within the meaning of the Trade Act, with a person under the previous sentence.

(8) *(Last Amendment- SG No. 13/2007)* Writ of permit for use of a massif or parts of a massif is authorized upon request of the users from Municipal Agriculture Office on the basis of an ordinance, issued by Director of the District Agriculture Office after harvesting the crops and payment of the sums under para. 7.

(9) *(Last Amendment - SG No. 13/2007)* The plots shall be designated in an extract from the map of the settlement and shall be publicized at the Mayoralty and the municipal agriculture service.

(10) *(Last amendment - SG No. 62/2010)* Lands from the State and municipal land fund which may not be partitioned in separate massifs and for which there are no lease or rental agreements concluded prior to the issuance of the order under Par. 4, may be placed at the disposal of the users of relevant massifs upon their request following an ordinance, issued by the Minister of Agriculture and Food or an official, authorized by him, or by the municipality mayor, respectively. The contract shall be signed for a one-year term of use after payment of a sum equal to the higher amount between the highest auction price of the relevant territory for the lands of the State land fund for the relevant year and the amount of the average annual land rental payment within the municipality.

(11) *(Last amendment - SG No. 62/2010)* 3) Art. 24, Par. 7 or Art. 34, Par. 6, respectively, shall apply for lands from the State or municipal land fund which are used illegally.

(12) *(New-SG No.94 of 2009)* On occasion of Director of the District Agriculture Office non-issuance of the ordinance under para.1 and 4, every person with interest at stake may request its issuance by the Minister of Agriculture and Food.

(13) *(New-SG No.94 of 2009)* The Minister of Agriculture and Food or an official authorized by him is obliged to issue the ordinances under para.1 or para.4 within one month after the request under the procedure of para.12.

(14) *(New – SG No. 25/2012)* The agreement for establishment of massifs for land use or the allocation thereof shall be considered as legal grounds pursuant to the Agricultural Producers Support Act, and, in relation to the lands under Par. 3, it shall be considered as legal grounds only in case a payment has been made with respect to them.

(15) *(Last Amendment - SG No. 61/11.08.2015)* Agricultural lands included in plots for use and approved for subsidy under measure "Agri- environmental Payments" of the Rural Development Programme for the period 2007-2013 and/ or under measure "Agroecology and Climate" and " Organic Farming" from the Rural Development Programme 2014-2020 are allocated without change of the location of the persons approved under the measure in the cases in which :

1. they have submitted for participation, under the procedure of art. 37b, properties with area which is larger or equal to the land which is approved for subsidy under the measure, and

2.the owners and the users, whose properties are granted to the persons approved under the measure, have declared their willingness to take part in the procedure for creation of plots for use under this act with the same properties.

(16) *(New - SG No. 14/20.02.2015)* The Director of the Regional Directorate of Agriculture makes a request to the Mayor of the municipality for granting the properties-country roads included in the order under para. 4, under a price amounting to the average rental payment for the estate. The Mayor rules after a decision of the municipal council. In case, within one month after the request, the municipal council has not made a decision, the Director specifies in the order under para. 4 a price of the properties in amount of the average annual rental payment for the estate. On the basis of the order and within one month after its issuance, the users pay the sum into a bank account of the municipality.

(17) *(New - SG No. 14/20.02.2015)* The user who has been allocated the country roads provides access to the properties which are declared and claimed for use in real borders during the following business year.

### **Article 37d**

The terms and conditions for designation of consolidated plots intended for farmland use, as well as those for entering, amending, and terminating agreements shall be laid out in the Rules for Implementation of this act.

### **Article 37e**

*(Last Amendment, SG No. 62/2010)*

(1) The State shall promote sales and exchanges of neighbouring estates in view of their consolidation, all costs related to technical activities on the occasion of sales or exchanges being covered by it.

(2) *(Last Amendment, SG No. 62/2010)* Individuals may not dispose of farmland acquired under Paragraph 1 from the State or municipal landed reserves and alter their function for a period of 10 years.

### **Article 37f**

*(Last Amendment - SG No. 14/20.02.2015)*

(1) *(Last Amendment - SG No. 14/20.02.2015)* The land division plan which has entered into effect and the approved map of the existing or reclaimable old actual borders of agricultural lands on the terrain, as well as the map of the restored property, may be amended for the purpose of creating consolidated land estates with an ordinance issued by the Minister of Agriculture and Food. The ordinance is issued on the basis of a written agreement with a notarial certified signatures of the owners of agricultural lands and an approved consolidation plan.

(2) *(Last Amendment - SG No. 14/20.02.2015)* When in the consolidation plan are included agricultural lands- state or municipal property, the agreement under para. 1 is signed by the Minister of Agriculture and Food, respectively by the Mayor of the municipality or officials, authorised by them.

(3) *(Repeal - SG No. 14/20.02.2015)*

(4) *(Last Amendment - SG No. 14/20.02.2015)* The municipal agriculture office issues decisions and sketches for the consolidated land estates on the basis of the approved

consolidation plan. In the decision are specified the size and the category of the estate, its location (borders, neighbours) and the restrictions of the property along with the grounds for them. The decision is handed under the procedure of the Civil Procedure Code and is not subject to appeal. The ownership of the consolidated land estates is acquired as of the entry into effect of the decision of the municipal agriculture office which, together with a sketch, certifies the right of ownership and has the power of a notary deed.

(5) *(Last Amendment - SG No. 14/20.02.2015)* In the consolidation plan are not included estates with an imposed mortgage, foreclosure, other land charges, estates which are subject to pending litigation with reference to ownership rights, or limited property rights, with reference to which there is a partition, or which are a subject of expropriation procedure.

(6) *(New - SG No. 14/20.02.2015)* Estates with imposed restrictions of use, including arising from their location in protected or disturbed territories and zones, are included in the consolidation plans with the consent of the owners.

(7) *(New - SG No. 14/20.02.2015)* The contracts for rent or lease of estates included in the consolidation plan are terminated as of the entry into effect of the decision for the consolidated estates after the end of the respective business year.

(8) *(Former Par. 6 - SG No. 14/20.02.2015)* The costs for creation of consolidated land estates by agreement of the owners are at their expense.

(9) *(Former Par. 7 - SG No. 14/20.02.2015)* The terms and procedure for preparation of the draft and the approval of the consolidation plan are specified with the Rules on the implementation of the Law.

(10) *(Former Par. 8 - SG No. 14/20.02.2015)* The approved consolidation plan is marked officially in the map of the restored property or in the cadastral map and the related registers. No fees are due for the marking and the issuance of the sketches for the consolidated estates.

### **Article 37g**

*(Repeal - SG No. 62/2010)*

### **Article 37h**

*(New – SG No.10/2009)*

(1) Owners of agricultural lands possessing over 10 per cent of the cultivated agricultural lands within one territory, may suggest an expansion plan which shall include agricultural lands from the state land fund, the municipal land fund and lands owned by natural persons and legal entities. Agricultural lands from the state land fund and from the municipal land fund may be included in the expansion plan, provided that increase in the average size of the properties from the state land fund and the municipal land fund is achieved by at least 20 per cent.

(2) The interested parties shall address their proposal under Par. 1 to the Minister of Agriculture and Food.

(3) The Minister of Agriculture and Food shall issue a written statement on the proposal under Par. 1 within 1 month as of its receipt. In case of a positive statement, the effective land-dividing plan and the approved map of the existing or reinstatable old real borders shall be modified, as well as the map of the reinstated property, in accordance with the accepted expansion plan.

### **Article 37i**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) *(Last Amendment - SG No. 14/20.02.2015)* The pastures, common pastures and the meadows from the state and the municipal land fund are rented or leased under the procedure of art. 24a, para. 2 to owners or users of stock- breeding farms with free range animals, registered in the Integrated Information System of the Bulgarian Food Safety Agency ( BFSA), in accordance with the number and the type of the registered animals, under a price, specified under a market mechanism. Pastures, common pastures and meadows from the state and the municipal land fund are rented or leased to persons who have no tax liabilities as well as obligations to State Fund "Agriculture", the State Land Fund, the Regional State Fund and for lands under art. 37c, para. 3, pt. 2.

(2) *(Last Amendment - SG No. 61/11.08.2015)* The Minister of Agriculture and Food issues an order determining the free pastures, grasslands and meadows from the state land fund to be rented or leased under Par. (1) within time limits envisaged in the Rules on application of this Act. A list of the estates with categories is announced in the municipal agriculture offices and the Regional Directorates of Agriculture and is published on the Internet web page of the respective Regional Directorate of Agriculture before 1 March.

(3) *(Last Amendment - SG No. 61/11.08.2015)* The municipal council specifies with a decision the pastures, common pastures and meadows for common and individual use. A list of the estates for individual use with categories is announced in the municipalities and the town halls and is published on the web page of the municipality before 1 March.

(4) *(Last Amendment - SG No. 61/11.08.2015)* The pastures, the common pastures and the meadows are allocated between the right holders who have registered stock- breeding farms in the respective estate, in accordance with the number and the type of the registered free range animals, depending on the legally owned or used pastures, common pastures and meadows, but not more than 10 decares per 1 livestock unit in estates from first to seventh category, and up to 20 decares per 1 livestock unit in estates from eight to tenth category. The eligible persons who keep meat-breeding cattle including indigenous (autochthonous) breeds are allocated up to 15 decares per livestock unit in estates from first to seventh category and up to 30 decares per livestock unit in estates from eight to tenth category.

(5) *(Last Amendment - SG No. 14/20.02.2015)* Until 10 March, the persons submit to the Mayor of the municipality an application following a sample form to which they enclose documents.

(6) *(Last Amendment - SG No. 61/11.08.2015)* The Mayor of the municipality appoints a commission which specifies the land necessary for every candidate under the procedure of para. 4 and allocates the estates for each plot. The candidates who, prior the date of allocation, have used the respective estates by virtue of an expired contract have advantage upon the allocation. The non-allocated estates are allocated in ascending order, starting from

the persons owning the fewest livestock units. The Commission draws up a report on the final allocation of the estates, upon availability of the necessary estates, by 1 May.

(7) (*Last Amendment - SG No. 14/20.02.2015*) Upon insufficiency of pastures, common pastures and meadows of the municipal land fund in the land of the estates which are allocated under the procedure of para. 6, the respective commission performs additional allocation in a neighbouring land, which may be in a neighbouring municipality or region, and draws up a protocol for the finally allocated lands up to 1 June. This procedure is applied until the exhaustion of all estates from the municipal land fund or until reaching the norm under para. 4. The allocation is performed consecutively in the neighbouring land, municipality or region.

(8) (*Last Amendment - SG No. 14/20.02.2015*) The protocol under para. 6 or under para. 7 is announced in the town hall and is published on the Internet web page of the municipality and within 14 days may be appealed before the Regional Court with reference to the area of the allocated estates. The appeal does not suspend the implementation of the protocol unless the Court rules otherwise.

(9) (*Last Amendment - SG No. 14/20.02.2015*) Upon insufficiency of pastures, common pastures and meadows from the municipal land fund after the allocation under para. 7 in the respective and neighbouring estates, on the grounds of an application submitted by the rightful person until 10 June, the commission under para. 6 officially submits to the Minister of Agriculture and Foods or an official authorised by him or her the protocols under para. 6 and/ or para. 7 and a copy of the application for additional allocation of estates from the state land fund.

(10) (*Last Amendment - SG No. 61/11.08.2015*) The Director of Regional Agriculture Directorate appoints a commission which consists of representatives of the municipal agriculture offices and the Regional Agriculture Directorate. The commission allocates the additionally necessary land for each candidate under the procedure of para. 4 in the respective and/ or neighbouring lands and draws up a protocol for the final allocation of the estates from the state land fund until 1 July. The candidates who, prior the date of allocation, have used the respective estates by virtue of an expired contract have advantage upon the allocation.

(11) (*Last Amendment - SG No. 14/20.02.2015*) The protocol under para. 10 is announced in the town hall and in the building of the municipal agriculture office and is published on the Internet web page of the municipality and the respective Regional Agriculture Directorate. Within 14 days, the protocol may be appealed before the Regional Court with reference to the area of the allocated estates. The appeal does not suspend the implementation of the protocol unless the Court rules otherwise.

(12) (*Last Amendment - SG No. 61/11.08.2015*) Acting on the basis of the Commissions protocols under para. 6 and 10, the Mayor of the municipality, respectively the Director of the Regional Directorate "Agriculture" concludes a rent or lease contract at a price specified in compliance with a market mechanism. The minimum term of the contracts is 5 business years. The contracts include the data under para. 1, 4, 6 and 7 and are registered in the municipal agriculture office.

(13) (*New - SG No. 14/20.02.2015*) The pastures, common pastures and meadows from the municipal and the state land fund which are vacant are rented or leased by tender in which can participate only owners of grazing free rangegrazing animals, registered in the

Integrated Information System of the Bulgarian Food Safety Agency ( BFSA). The tenders are carried out by the Regional Agriculture Directorate- with reference to the estates from the state land fund, and by the Mayor of the municipality- with reference to the estates from the municipal land fund. The contracts are concluded for one business year.

(14) *(New - SG No. 14/20.02.2015)* The pastures, common pastures and meadows which are vacant after the tender under para. 13 are rendered by tender, to owners of free range grazing animals and persons who assume the obligation to keep them in a good agricultural and ecological state, under procedure specified in the Rules on the implementation of the Law. The contracts are concluded for one business year.

(15) *(New - SG No. 61/11.08.2015)* Upon conclusion of contracts for rent or lease of pasture, common pastures and meadows of the state and the municipal land fund which, on the date of signing the contract, wholly or partly do not fall in the current specialized layer under art. 5, para. 2 of Regulation No 2 of 17 February 2015 on the agricultural lands eligibility criteria for aid under area payment schemes and measures, no rental, respectively lease payment is due for one marketing year as of the conclusion of the contract.

### **Article 37k**

*(Last Amendment - SG No. 14/20.02.2015)*

(1) *(Repeal, SG No. 38/ 2014)*

(2) *(Last Amendment - SG No. 14/20.02.2015)* The proceeds from rents and leases for use of pastures, grasslands and meadows from the state land fund shall be allocated to the budget of the Ministry of Agriculture and Food and the municipal land fund – to the budget of the relevant municipality.

(3) The rental and lease contracts shall envisage increase in the rental or lease price in accordance with the official inflation index of consumer prices, announced by the National Statistical Institute.

### **Article 37l**

*(Last Amendment - SG No. 61/11.08.2015)*

(1) *(Last Amendment - SG No. 14/20.02.2015)* The pastures, grasslands and meadows from the state and municipal land fund, for which rental or lease contracts are concluded, may not be given for use to third parties.

(2) *(Last Amendment - SG No. 61/11.08.2015)* The contracts for rent and lease under art. 37i, para. 12:

1. may be terminated or amended prior the expiration of the term upon request made by the user;

2. *(Repeal - SG No. 61/11.08.2015)*



(3) *(Last Amendment - SG No. 61/11.08.2015)* The municipality terminates the rent and lease contracts under art. 19, concluded under the procedure of art. 37i, para. 12, and submitted by the municipal council under the procedure of § 27 of the transitional and final provisions of the Amendment and Supplement to the Agricultural Land Ownership and Usage Act (SG, No 62/ 2010) after issuance of the decision of the municipal agriculture office and expiration of the business year during which the decision has been issued.

### **Article 37m**

*(New - SG No. 61/11.08.2015)*

(1) The Mayor of the municipality, respectively the Director of the Regional Directorate "Agriculture" annually performs inspections on the observance of the requirements under art. 37i, para. 4 with reference to the concluded contracts for rent or lease of pasture, common pastures and meadows of the state and the municipal land fund.

(2) The observance of the requirements under para. 1 is ascertained on the basis of an official reference drawn up and provided by the Bulgarian Food Safety Agency of all registered, until 1 February of the current year, in the Integrated Information System of the Bulgarian Food Safety Agency:

1. animal keeping holdings;
2. owners or users of registered agricultural holdings;
3. grazing livestock in the agricultural holdings.

(3) The reference under para. 2 is endorsed with an ordinance, issued by the Executive Director of BFSA and is published on the Internet web page of the agency.

(4) In the cases in which during the inspections it is ascertained that:

1. the number of the registered grazing livestock in the agricultural holding is over 30 per cent lower than its number at the time of the rent or lease contracts conclusion, the contracts are amended and the area is specified in accordance with the percentage decrease of number of the livestock;

2. there is no grazing livestock in the agricultural holding, the rent or lease contracts are terminated by the Mayor of the municipality, respectively the Director of the Regional Directorate "Agriculture";

3. there has been a change in the conditions under art. 37i, para.1, the rent or lease contracts are terminated by the Mayor of the municipality, respectively the Director of the Regional Directorate "Agriculture";

4. the agricultural holding registration in the respective plot has been deleted, the rent or lease contracts are terminated by the Mayor of the municipality, respectively the Director of the Regional Directorate "Agriculture";

(5) The rent or lease contracts under para. 1 are not considered legal grounds in accordance with art. 41, para. 1 of the Agricultural Producers Support Act in the cases in

which during the inspections it has been ascertained that there are grounds for their termination.

(6) In the cases under para. 5, the respective Municipal Agriculture Service deletes the estates from the rent and lease contracts register under art. 49, para. 1, pt. 6 of Regulation No 49 of 5 November 2004 on the maintenance of the reinstated ownership map (SG, No 102/2004) and notifies:

1. The Mayor of the municipality with reference to the municipal land fund;
2. the Director of the Regional Directorate "Agriculture"- with reference to the estates from the state land fund.

(7) Paragraph 4, pt. 1, para. 5 and 6 are not applied with reference to part of or the entire grazing livestock registered in the Integrated Information System of BFSA which has been affected by natural disaster or epizootic diseases.

### **Article 37n**

*(Repeal – SG No. 38/ 2014)*

### **Article 37o**

*(Last Amendment - SG No. 14/20.02.2015)*

(1) *(New - SG No. 14/20.02.2015)* The municipal council, following a decision adopted with the majority of the municipal councilors, specifies:

1. the size and the location of the common pastures and the pastures for common and individual usage depending on the number and the type of the free range grazing animals bred on the territory of the respective estate;

2. rules for the usage of the common pastures and the pastures on the territory of the municipality.

(2) *(Last Amendment - SG No. 14/20.02.2015)* The rules for the usage of the common pastures and the pastures under para. 1, pt. 2 include:

1. perspective exploitation pasture plan;
2. the parts of the common pastures and the pastures designated for common and individual usage, and their differentiation;
3. the parts of the common pastures and the pastures designated mainly for mowing;
4. the trails for farm animals to the places for pasture and watering;

5. measures for protection, maintenance and improvement of the common pastures and the pastures such as cleaning bushes and other unwanted vegetation, anti- erosion practices, fertilizing, temporary fencing;

6. veterinary prophylaxis;

7. the parts of the common pastures and the pastures designated for artificial pastures, for planting with suitable grass mixtures;

8. construction of sheds;

9. introduction and alternation of parcel usage of pasture complexes;

10. guard;

11. usage regime, bans and restriction depending on the particular topographic, soil, climatic and other physical conditions, and on the development of the stock- breeding on the territory of the municipality;

12. map for the usage of the common pastures and the pastures in accordance with physical blocks, specified in the Land Parcel Identification System.

(3) (*Last Amendment - SG No. 14/20.02.2015*) The rules under para. 2 are announced on the Internet web page of the municipality.

(4) (*Former Par. 1 - SG No. 14/20.02.2015*) Every year the municipal council shall adopt a resolution with a majority of the total number of councilors for providing and updating the use of common lands and pastures, which shall contain:

1. Annual pasture plan;

2. Consent for provision of common lands and pastures for common and individual use;

3. The obligations of the municipality and of the users as regards to the maintenance of the common lands and pastures.

(5) (*Former Par. 2 - SG No. 14/20.02.2015*) A list of information about farmers or their associations, registered as legal entities, the animals bred by them, information about the physical blocks and plots of municipal lands and pastures, a map of used common lands and pastures in physical blocks, determined in the System for identification of agricultural plots of land, as well as other information, necessary for application for support under the scheme of unified payment of areas shall be enclosed to the resolution.

(6) (*Former Par. 3 - SG No. 14/20.02.2015*) The mayor of the municipality, region, commune, shall coordinate the list with the regional directorate on food safety.

(7) (*Former Par. 4 - SG No. 14/20.02.2015*) The resolution of the municipal council shall constitute legal grounds for common use of the lands and pastures for the purposes of Art. 41 of the Agricultural Producers' Protection Act.

(8) *(Former Par. 5 - SG No. 14/20.02.2015)* An agricultural producer, included in the list under Par. 2, may receive a copy of the resolution for determination of the use of lands and pastures from the mayor of the municipality, region or commune.

#### **Article 37p**

*(Repeal – SG No. 38/ 2014)*

#### **Article 37q**

*(Repeal – SG No. 38/ 2014)*

### **Chapter Six**

**(New - SG No. 98/1997)**

## **ADMINISTRATIVE AND PENAL PROVISIONS**

#### **Article 38**

*(Last Amendment - SG No. 14/20.02.2015)*

(1) *(Last Amendment -SG No. 68/1999)* Any person who destroys, damages, removes or relocates a permanent landmark designating the supporting net or the boundaries of farm estates, shall be penalised by a fine in the amount of Bulgarian Leva (BGN) from 250 up to 500.

(2) *(Last Amendment - SG No. 14/20.02.2015)* Any person who destroys a field road traced under a land reallocation plan with the exception of the field roads provided for use under Art. 37c (16), or presents an obstacle to its tracing under a land reallocation plan, shall be penalised by a fine of BGN from 500 up to 1,000.

(3) *(Last Amendment -SG No. 68/1999)* Where a violation under paragraphs 1 and 2 has been committed on the orders of a legal entity's official, the executive manager thereof shall be penalised by a fine in the amount of BGN from 1,000 up to 2,000, and the legal entity shall be penalised by a property sanction in the amount of BGN from 2,000 up to 5,000.

#### **Article 38a**

*(New-SG No. 99/2002)*

An individual or a legal entity which fails to perform its duty within the time-limit of Art. 18, Paragraph 3 shall be sanctioned by a fine or penalty of BGN 500 to 1,000.

#### **Article 39**

*(Last Amendment -SG No. 68/1999)*

(1) *(Last Amendment -SG No. 68/1999)* Any official who has failed to discharge his obligations under Article 7, paragraph 5, Article 15, paragraph 5, and Article 34, paragraph 1, shall be penalised by a fine in the amount of Bulgarian Leva (BGN) from 500 up to 2,000.

(2) *(Last Amendment -SG No. 68/1999)* Any official who has caused or allowed the approval of a land reallocation plan, or of other technical activities relating to the implementation of this Act, in violation of the requirements for their elaboration, shall be penalised by a fine of Bulgarian Leva (BGN) from 150 up to 2,000.

#### **Article 40**

*(Last Amendment -SG No. 68/1999)*

(1) *(Last Amendment -SG No. 68/1999)* Any person who utilises without any legal ground a agricultural land estate the title where to has been restituted, shall be penalised by a fine in the amount of Bulgarian Leva (BGN) from 2,000 up to 10,000.

(2) *(Last Amendment -SG No. 68/1999)* Any person who fails to obey an order for seizing such estate as provided for in Article 34, shall be penalised by a fine in the amount of Bulgarian Leva (BGN) from 500 up to 2,000.

#### **Article 40a**

*(New - SG No. 14/20.02.2015)*

(1) A trading company under art. 3, para. 7 which has property rights with reference to agricultural lands is imposed a proprietary sanction in an amount of up to BGN 100 for every decare of owned agricultural land.

(2) A trading company which, three months after the imposing of the sanction under para. 1, has property rights with reference to agricultural lands is imposed a proprietary sanction in a threefold amount of the amount of the initially imposed sanction.

(3) Para. 2 is applied with reference for each subsequent violation.

#### **Article 41**

*(Last Amendment - SG No. 39/2011)*

(1) *(Last Amendment - SG No. 39/2011)* Violations under the preceding articles shall be ascertained by way of statements drawn up by officials designated by the district governor, and violations related to municipal land fund by the mayor of the municipality having jurisdiction over the location of the property.

(2) *(Last Amendment - SG No. 39/2011)* Penal decrees shall be issued by the district governor having jurisdiction over the location of the property, or by a person duly authorised

by the district governor respectively by mayor of the municipality , or by a person duly authorised by the mayor of the municipality.

(3) *(Last Amendment - SG No. 39/2011)* Penalties shall be deposited into the budget of the Ministry of Agriculture and Food, respectively in the budget of the municipality.

(4) Ascertainment of violations, as well as issuance, appeal and execution of penal decrees shall be effected under the terms and procedures prescribed in the Administrative Violations and Penalties Act.

#### **Article 42**

*(New - SG No. 61/11.08.2015)*

(1) A Mayor of municipality, respectively a Director of Regional Directorate "Agriculture" who has failed to order the performance of the inspections under art. 37m, para. 1 is imposed a fine amounting from BGN 5 000 to BGN 10 000.

(2) A Mayor of municipality, respectively a Director of Regional Directorate "Agriculture" who has failed to terminate or amend a rent or lease contract under the conditions of art. 37m is imposed a fine amounting from BGN 5 000 to BGN 10 000.

#### **Article 43**

*(New - SG No. 61/11.08.2015)*

A person who changes the way of use or the designation of the agricultural land in violation of art. 24e, para. 2 is imposed a fine or a proprietary sanction in the triple amount of the price, specified under art. 24e, para. 1, paid for the acquisition of the ownership right.

#### **Article 44**

*(New - SG No. 61/11.08.2015)*

(1) The violations under art. 42 are ascertained with acts of officials specified by the Regional Governor at the estate locality.

(2) The violations under art.43 are ascertained with acts of officials specified by Director of Regional Directorate "Agriculture", respectively by the Mayor of the municipality at the estate locality.

(3) The penal rulings with reference to the violations under art. 42 and 43 are issued by the Regional Governor at the locality of the estate.

#### **ADDITIONAL PROVISIONS**

*(Last Amendment -SG No.10/2009)*

**§ 1.** *(Repeal-SG No. 13/2007)*

**§ 2.** *(Repeal-SG No. 98/1997)*

**§ 2a.** (Repeal-SG No. 98/1997)

**§ 2b.** (New-SG No. 13/2007) "Small size estates" in the meaning of Art. 24a, paragraph 3 shall be estates with surface up to 10 decares.

**§ 2c.** (Last Amendment - SG No. 61/11.08.2015) (1) (Former § 2c, SG No. 38/ 2014) Under the meaning of this act, "pasture animals" are cows, bulls, sheep and goats as well as equine species – horses, donkeys, mules. Pasture animals are also considered pigs from the Eastern Balkan breed and cross-breeding thereof, which are bred in accordance with the Veterinary Activity Act.

(2) (New - SG No. 38/ 2014) „Pasture agricultural animals" within the meaning of this Act are big and small ruminant and equine agricultural animals. „Pasture agricultural animals" within the meaning of this Act are big and small ruminant and equine agricultural animals.

(3) (New - SG No. 61/11.08.2015) Within the meaning of this Act "Agriculture holding" means a holding registered under the procedure of the Veterinary Activity Act, in which grazing livestock is continually reared.

**§ 2d.** (Repeal – SG No. 38/ 2014)

**§ 2e.** (New – SG No. 10/2009) Under the meaning of this act, "common use" shall mean the traditional practice of the population of one region, with small farms for pasture animal husbandry upon public common lands and pastures, including through formation of one or more collective flock.

**§ 2f.** (New – SG No. 62/2010) (1) (Last Amendment – SG No. 62/2010) The amount of average annual agricultural land rental payment in the municipality for the previous year is calculated in BGN per decare by a commission, appointed upon an ordinance issued by the Director of the Agriculture District Directorate, on the basis of data submitted by the respective municipal agriculture service, for the average cost of the rent payments, calculated on the basis of more than 50 percent of the agreements, registered in the Register Office and in the municipal agriculture service.

(2) Members of the commission are official representatives of the Agriculture District Directorate and the directors of the respective municipal agriculture service.

(3) The calculated amount of the average annual rental payment is published at the internet website of the respective Agriculture District Directorate.

**§ 2g.** (Repeal - SG No. 14/20.02.2015)

**§ 2h.** (New - SG No. 38/ 2014) „Animal unit" within the meaning of this Act is an arbitrary unit for comparing the number of the different kinds and categories of animals as follows:

1. one horse over 6 months, one buffalo and one ox over two years equals one animal unit;
2. ox or buffalo at the age from 6 months to two years equals 0.6 animal unit;
3. one sheep or one goat equals 0,15 animal unit.

## **TRANSITIONAL AND CONCLUDING PROVISIONS**

**§ 3.** (*Last Amendment -SG No.45/1995*) (1) Disputes on the use of land of the State and Municipal Land Reserves, or on boundaries between the settlement territories, shall be settled according to the general legal procedure.

(2) (*New-SG No. 45/1995*) Until the dispute over boundaries between settlement territories is resolved land reallocation shall be made on the basis of the settlement territory confines established by the Integrated Cadastre of the Republic of Bulgaria Act.

(3) (*New-SG No. 45/1995*) In the event that settlement territory confines are amended by a court decision that has entered into force, the agricultural land reduction made by the municipal agriculture service under Article 15, paragraph 2 in the respective settlement territory shall remain into force.

(4) (*New-SG No. 45/1995*) Court rulings on amending confines of settlement territories for which land reallocation plans have already come into effect, shall not be reflected in the restituted rights of proprietors.

**§ 4.** (*Last Amendment -SG No. 99/2002*) (1) (*Last Amendment, SG No. 98/1997*) Use of agricultural land granted to individuals under any acts issued by the once Presidium of the National Assembly, State Council and the Council of Ministers, shall be hereby discontinued.

(2) (*New-SG No. 68/1999*) Populated areas shall be created under the provisions of Chapter III, Section II of the Act on Administrative and Regional Organisation of the Republic of Bulgaria on the lands under paragraph 1, where at least two thirds of the property situated on them, have been built up.

(3) (*Last Amendment -SG No. 99/2002*) Lands under paragraph 2 situated in the immediate vicinity of the confines of urbanized territories, may be incorporated into them.

(4) (*Last Amendment -SG No. 106/2000*) The mayors of municipalities shall propose to the municipal councils not later than 1 March 2001 belt line ranges of lands under paragraphs 2 and 3.

(5) (*Last Amendment -SG No. 99/2002*) No fees as per Article 30 of the Farmland Protection Act shall be charged for incorporation of lands under paragraphs 2 and 3 into the confines of urbanized territories.

**§ 4a.** (*Last Amendment, SG No. 98/1997*) (1) Individuals, enjoying usufruct of land under § 4, shall, in the event of strict adherence to all requirements of any state authorities' acts stated in such usufruct, acquire title to the usufructed land provided they had erected a building thereupon by March 1, 1991, and provided also they pay for such land to its owner via the municipality at prices set by the Council of Ministers pursuant to Article 36, paragraph 2, within three (3) months of the entry of such appraisal into force.

(2) Where a building's total floorage exceeds thirty-five square metres, or is more than a single storey high, an individual coming into possession under this Act shall also pay in favour of the state a graduated fee in accordance with the building's floorage, and in such an amount as prescribed by the Council of Ministers. Such fee shall not be paid provided that as of January 1, 1992 the erected building served as the only residence of its owner's family, comprising of the spouses and their underaged children.



(3) In the event that the land-owner is not paid the value of his land under the terms and procedure set forth in paragraph 1 above, he shall acquire a good title to the building erected thereon, provided he pays for it to the land-usufructuary who erected the building, or to his inheritors, respectively, at prices set by the Council of Ministers.

(4) *(Last Amendment -SG No. 99/2002)* In the event that neither the value of the land, nor that of the building have been paid, both the building and the regulated landed estate determined within a plant of newly-formed estates under par. 4k attached to it shall be offered for public sale following the terms and procedures laid down in the Code of Civil Procedure.

(5) Where an usufructuary, by virtue of any of the acts specified in 4, has been granted usufruct of municipal or state owned land the title whereto is not restorable to citizens, such usufructuary shall acquire ownership provided he pays via the municipality the value of the land at prices set by the Council of Ministers under the terms of paragraph 1, pursuant to Article 36, paragraph 2, within three (3) months of the entry of the appraisal into force.

(6) In order to attain the hold of title in adherence to the requirements presented in § 4a, § 4b, § 4e and § 4h hereof, usufructuaries shall be required to make a statement of their intention to the respective municipality up to January 31, 1998.

**§ 4b.** *(Last Amendment, SG No. 98/1997)* (1) *(Last Amendment -SG No. 123/1997)* Individuals shall be reinstated in ownership of agricultural lands clear of erections and granted in usufruct under the acts stated in § 4. Where such lands are planted with vineyards or orchards, or where a plot of agricultural land is the only one held by an usufructuary's family residing permanently in the same settlement in whose territory the estate in issue is located, such usufructuary shall acquire title to the land, provided he pays for it to its owner via the municipality at prices set by the Council of Ministers pursuant to Article 36, paragraph 2, within three months of the entry of such appraisal into force. No user shall be allowed to acquire title to any land lying at less than thirty (30) kilometres away from cities with a population exceeding three hundred thousand inhabitants, irrespective of the municipality which it is situated in, or falling within 10 kilometres from the littoral strip.

(2) Where an usufructuary acquires title to land pursuant to paragraph 1 above, or to § 4a, instead of paying for the land he may offer to the land-owner to exchange it for a plot of land of his own, provided the land-owner is willing to accept the offer.

**§ 4c.** *(Last Amendment -SG No. 98/1997)* Persons who have effected ameliorations on landed estates subject to restitution shall enjoy the rights stipulated for in Article 72 of the Ownership Act.

**§ 4d.** *(Last Amendment -SG No. 98/1997)* Any land estate held and usufructed by any person without good legal grounds shall be subject to seizure. A seizure shall be effected following the procedure laid down in Article 34.

**§ 4e.** *(Last Amendment -SG No. 98/1997)* Individuals enjoying usufruct of two or more landed estates shall have the right to acquire title, under the terms of § 4a and 4b, to one of them alone by exercising their own choice and making a statement to the respective municipality within the time limit specified in § 4a, paragraph 6.

**§ 4f.** *(Repeal -SG No. 68/1999)*

**§ 4g.** *(Last Amendment, SG No. 99/2009)* Funds under § 4a, 4b and 4h shall be raised in amunicipal account for external fundsand shall, along with the interest accrued, be used to indemnify former land-owners and usufructuaries. The amounts shall be paid within one month of their being deposited, under terms and procedures defined in the Rules on the implementation of this Act.

**§ 4h.** *(Last Amendment -SG No.68/1999)* (1) Individuals whose usufruct of a property is transformed into a good title thereto pursuant to § 4a, paragraph 1, shall acquire title to plots of land up to 600 sq. m., and those under § 4b, paragraph 1 to plots of land up to 1,000 sq. m.

(2) *(Last Amendment -SG No. 68/1999)* The differential between 600 sq. m. and 1,000 sq. m. and the actually usufructed plot of land shall be restituted to the land owners for the purpose of setting up new pieces of property with proportions of no less than 250 sq. m. under terms and procedures prescribed in the Rules on the implementation of this Act. Plots of land which cannot be used to establish a new piece of real estate shall be paid for by the usufructuaries to the proprietors at market prices, within three months of entry into force of the valuation.

**§ 4i.** *(New-SG No. 98/1997)* (1) Land-owners or their inheritors shall have the right to file a claim for restitution of title to the land where it was granted in usufruct under § 4 and the subsequents, or has been transferred not by its owner, if the granting of such usufruct or the acquisition of the property has been effected in violation of any statutory and regulative instruments, as well as through a misuse of high official or communist party standing, or through an abuse of power.

(2) The rights under paragraph 1 shall be also enjoyed by the land- owners or their inheritors in any instances specified in Article 10, paragraph 7.

(3) In the event that a building has been erected on a plot of land in the instances under paragraphs 1 and 2, or some other ameliorations have been carried out, the relations between the land-owner and the usufructuary shall be settled in correspondence with Articles 73 and 74 of the Ownership Act.

**§ 4k.** *(Last Amendment -SG No.10/2009)* (1) *(Last Amendment -SG No. 99/2002)* A support plan and a plan of newly formed estates shall be designed for the lands granted in usufruct to individuals on the basis of the enactments specified in § 4.

(2) *(Last Amendment -SG No. 99/2002)* The support plant under paragraph 1 shall contain information both on the landed property granted in usufruct, and on the landed property which existed before the establishment of labour co- operative farms and state-owned farms.

(3) For the purpose of ascertaining the boundaries of landed property existing prior to the establishment of the labour co operative farms and state-owned farms, all information sources may be used: aerial photographs, photodiagrams, photoplans, cadastral plans, reallocation plans and other graphic materials and data. Where information from these sources on the boundaries of landed property is lacking, data shall be collected through inquiries, under terms and procedures provided for in the Rules on the implementation of this Act.

(4) *(Last Amendment -SG No. 99/2002)* The contents of plans under Paragraph 1 and the terms and procedures for their design, adoption, and notification to the interested shall be stipulated in the Rules for Implementation of this Act.

(5) *(Last Amendment -SG No. 99/2002)* Plans under Paragraph 1 shall be developed by individuals who have acquired competency under the Cadastre and Estate Register Act.

(6) *(Last Amendment -SG No. 30/2006, in force as of 01.03.2006)* The plan of newly-formed estates shall be approved by the district governor. The ruling thereon shall be published in the State Gazette and announced in the media, including two national dailies, and posted at suitable locations of public access inside municipal HQ and Mayorality buildings. Complaints against the approved plan of newly-formed estates may be filed with the administrative court within 14 days of the publication of said ruling in the State Gazette.

(7) Restitution, or acquisition, respectively, of ownership right on newly-formed landed property shall be executed by ruling of the mayor of the municipality, which shall be notified under the provisions of the Civil Proceedings Code. The ruling shall set forth the location, confines, neighbours, as well as any limitations on the property and the reasons for such limitations. A plan of the property shall be annexed to the ruling.

(8) A plan of newly-formed estates which has already entered into force may be changed:

1. *(Last Amendment -SG No. 99/2002)* when the support plan on the basis of which it has been worked out, contains significant inadequacies or errors; where a material right is contested, the parties concerned shall assert their rights through the court;

2. when the plan contains an obvious factual error;

3. when the plan has been worked out in gross violation of the law, unless a court ruling has entered into force, or the plan has been annexed;

4. upon request of the court in relation to lawsuits for partition of property;

5. with the consent of all owners directly concerned.

(9) *(Last Amendment -SG No. 99/2002)* Financing of the plans under paragraph 1 shall be done from the State budget, according to an yearly programme formulated by the district governor in conjunction with the mayor of the municipality.

(10) *(Last Amendment -SG No. 99/2002)* In respect of the plots of land under § 4, the district governor shall order that a support plan and a plan of newly-formed estates as of 30 September the previous year, be designed.

(11) *(New-SG No. 99/2002)* Where the Ruling for approval of plans of newly-formed estates under Paragraph 6 enters into force, once the cadastral map and registers for the respective territory have been approved and the introduction of an estate register has been announced, newly-formed estates shall be made part of the cadastre, and the Ruling under Paragraph 7 shall be entered in the estate register following the terms and conditions of the Cadastre and Estate Register Act.

(12) (*New – SG No. 10/2009*) Amendments in the cases under Par. 8, Subpar. 1, 2 and 3 shall be carried out on the basis of resolutions of a committee appointed by virtue of an order of the mayor of the municipality, including representatives of the district administration, the municipality technical service and the geodesy, cartography and cadastre agency.

(13) (*New – SG No. 10/2009*) On the grounds of the resolutions of the committee under Par. 12:

1. Until approval of the cadastral map and cadastral register, the mayor of the municipality shall issue an order for amendment of the plan of the newly-established properties; the order shall be subject to announcement and appeal in accordance with the provisions of the Administrative Procedure Code;

2. After the approval of the cadastral map and the cadastral registers, the head of the geodesy, cartography and cadastre agency shall issue an order for its amendment.

**§ 41.** (*Last Amendment –SG No. 68/1999*) Valuations of land, buildings and ameliorations under § 4a, 4b, 4c and 4h shall be carried out by ruling of the mayor of the respective municipality, or of an official duly authorised by the mayor, within three months of entry into force of the plan of newly-formed estates, under terms and procedures set forth in the Rules on the implementation of this Act.

**§ 5.** Leases shall be honoured where land under lease is to remain as possession of or in use by the lessor. Should the opposite be the case, the lease shall be terminated as the rightful proprietor comes into possession, but in no case earlier than the crop has been gathered.

**§ 6.** (*Repeal-SG No. 99/2002*)

**§ 7.** (*Last Amendment –SG No. 57/1995*) (1) (*Repeal-SG No. 57/1995*)

(2) Annuity receipts from agricultural land shall be deducted from the sum dutiable to income tax.

(3) Natural persons shall be exempt from tax on buildings erected on agricultural land for a period of five years from the date of their entering into possession.

(4) Young families shall be exempt from income tax on farming receipts from vegetable and animal products for a period of eight years since the entering in force of this Act.

**§ 8.** (*New-SG No. 28/1992*) The inheritors of persons reinstated in ownership of agricultural land under this Act shall be exempt from inheritance tax.

**§ 9.** (*New, SG No. 28/1992*) Farm land subject to reinstated ownership under Article 10 of this Act and considered as forests in the sense of the Forestry Act, shall be subject to the provisions of the Forestry Act and the Hunting Estates Act.

**§ 10.** (*Last Amendment –SG No. 79/1996*) Agricultural lands the ownership wherein has been reinstated under the provisions of this Act, and which are construed as forests in the accepted meaning of the Forestry Act may, at their proprietors' request, be commuted for other agricultural land from the landed reserve of the respective settlement or within the

territory of an adjacent settlement, and by the proprietors' consent - within a different territory just as well.

**§ 11.** *(Last Amendment -SG No. 45/1995)* (1) All transactions concluded in violation of the Decision of the National Assembly on Temporary Halting of Disposal with Property (SG No. 1/1992) shall be null and void.

(2) All auctions of property of organisations under § 12, held in violation of the terms and procedures specified for them, as well as any deals made on the basis of such auctions shall be null and void. Such property shall be confiscated under Article 16 of the Property Act by ruling of the district governor.

(3) Subject to annulment shall be deals with property of organisations under § 12 made by liquidation councils at obviously unfavourable terms. Annulment claims may be filed within one year of the entry into force of this Act by any of the persons under Article 27, paragraph 1 or on their behalf by a co operative or company of which they are members of shareholders.

**§ 12.** *(New-SG No. 28/1992)* Terminates all existing TKZS and farm co operatives established under § 7 of the Transitional and Concluding Provisions of the Co-operatives Act. Terminates all existing organisations and companies registered under Decree No. 922 on Land Use and Farming (promulg. SG, No. 39/1989; amend. No. 10/1990; repeal. No. 63/1991) and Decree No. 56 on Economic Activity with property and share in equity of farming teams, farm co-operatives, TKZS, tractor depot, APK and agricultural institutes. Terminates the existence of co-operatives registered under the Co-operatives Act, when the provisions under Article 33, paragraph (3) of that Act have not been observed and contribution of agricultural land has been envisaged in their By laws.

**§ 12a.** *(New - SG No. 38/ 2014)* (1) Agricultural lands in the former farm yards of the organizations under § 12, located outside the urbanized territories, left after the restitution of the rights of the owners shall be considered state property.

(2) The Minister of Agriculture and Food shall run, manage and dispose with the lands under Par. (1) under terms and conditions envisaged in the Rules on application of this Act.

**§ 13.** *(Last Amendment -SG No.87/1997)* (1) The liquidation of the organisations under § 12 shall be carried out by Liquidation Councils, composed of a chairman and up to two members.

(2) *(Last Amendment -SG No. 87/1997)* The members of the Liquidation Councils shall be dismissed and appointed by the Minister of Agriculture and Food upon a proposal by the regional agricultural offices in consultation with the respective mayors of communities. The Minister of Agriculture and Food shall also make changes or shall fill in vacancies in the respective Liquidation Council on his own initiative through a procedure to be determined by the Council of Ministers.

(3) The Liquidation Councils shall terminate their activities with the deletion of the organisations under § 12 from the register of the respective district court.

(4) *(Last Amendment -SG 87/1997)* The regional agricultural offices shall, in consultation with the respective mayors of communities, forward to the Minister of

Agriculture and Food within one month of the entry into force of this Act a reasoned proposal on changes or filling in of vacancies in the respective Liquidation Councils.

(5) The Liquidation Council shall:

1. organise and manage the activities of the organisation under § 12 until its deletion from the register of the respective district court and shall have the rights and obligations of the Managing Board, while the Chairman of the Liquidation Council shall execute the rights and obligations of the organisation's head;

2. determine the shares under Article 27, paragraph (1) and grant ownership or co-ownership of property based on such shares;

3. distribute the in-kind property among the persons possessing the right to a share in accordance with the shares owned by them;

4. undertake other actions pertaining to liquidation under the Rules on the implementation of this Act.

(6) The Liquidation Councils shall file with the respective district courts applications for deletion of the organisations under § 12 immediately after the ending of the liquidation activities.

(7) (*Last Amendment -SG No. 45/1995*) The Minister of Agriculture and Food shall carry out the guidance and supervision of the activities of the Liquidation Councils. The Minister of Agriculture and Food, or a person duly authorised by the Minister, may revoke acts of the liquidation councils, including after termination of the latter within one year of the entry into force of this Act. He shall determine the final deadline for their work in accordance with the liquidation activities performed.

(8) (*Last Amendment -SG No. 45/1995*) The members of the Liquidation Councils shall be liable jointly and severally for the damages they have caused to the organisations under § 12 and to the persons possessing a share in the property. Persons eligible to receive shares may empower co-operatives or companies of which they are members to file claims under this paragraph on their behalf. Such claims shall be exempt of state fees.

(9) (*Last Amendment -SG. No. 45/1995*) Within one year of the entry into force of this Act the Ministry of Finance shall organise and carry out financial control of the organisations under § 12 of the Transitional and Concluding Provisions, including after such organisations are terminated. The funds necessary for exercising financial control shall be allocated from the State budget. The audit statements and penal statements shall also be sent to the Ministry of Agriculture and Food. Within the legal process in respect to claims under paragraph 8 the factual findings in audit statements shall be considered true until proved false.

**§ 14.** (*Last Amendment -SG No. 48/1993*) (1) The obligations of the organisations under § 12 to the banks with state participation, as existent by December 31, 1992, shall be converted to state debt under terms and procedures to be determined by the Council of Ministers.

(2) The State shall assume the rights of the organisations under § 12 for all their claims towards third parties natural or legal persons which have arisen by December 31, 1992.

(3) Movable and immovable property of liquidated labour co operative farms necessary for their activities may not be subject to execution.

**§ 15.** *(Repeal-SG No. 88/1998)*

**§ 16.** *(Last Amendment -SG No.68/1999)* (1) *(Last Amendment -SG No. 98/1997)* Court proceedings under this Act shall be free with the exception of the ones under Article 14, paragraph 4.

(2) *(New-SG No. 98/1997)* Conduct of technical activities relating to the execution of court rulings whereby the right to reinstatement in agricultural land under Article 11, paragraph 2 has been adjudged, shall be paid for by the land-owners.

(3) *(Last Amendment -SG No. 68/1999)* Revenues from activities related to the keeping and updating of land reallocation plans shall be paid into the budget of the Ministry of Agriculture and Food.

**§ 17.** Financing required for the enforcement of this Act shall be provided from the State budget, as requested by the Council of Ministers.

**§ 18.** *(Repeal-SG No. 99/2002)*

**§ 19.** This Act is hereby assigned for enforcement to the Council of Ministers which shall issue Rules on the implementation thereof.

This Act was submitted to a vote and duly adopted by the Grand National Assembly on March 20, 1992 and the State Seal was affixed hereto.