

DECREE

OF THE PRESIDENT OF THE KYRGYZ REPUBLIC

On Measures Aimed at Introducing the Market of Land Use Rights and Creating Market Lending System in Agriculture

For the purpose of improving legal land relationships, introducing the market of land use rights and ensuring stable functioning thereof, and creating an efficient lending system in agriculture, I hereby **rule**:

1. That the Government of the Kyrgyz Republic shall introduce as of January 1, 1997 registration of sale, exchange, pledge, lease, bequeath of rights to use land parcels (shares). The Government Agency for Land Organization and Land Resources at the Government of the Kyrgyz Republic shall be charged with the powers to carry out state registration of the land rights, pending introduction of legislative governance thereof.

The Committee for Sale Rights to Use Land Parcels of the Agricultural Land Redistribution Fund shall be formed at the Ministry of Agriculture and Food of the Kyrgyz Republic (hereinafter — Agricultural Land Fund) form the representatives of the Ministry of Agriculture and Food of the Kyrgyz Republic, Government Agency for Land Organization and Land Resources at the Government of the Kyrgyz Republic, and local state administrations.

2. That the Committee for Sale of Rights to Use Land Parcels of the Agricultural Land Fund (hereinafter — Committee for Sale) by March 1, 1998 shall foster sale of rights to use 50 per cent of the lands of the Agricultural Land Fund to individuals and legal entities.

The rights to use land parcels from the Agricultural Land Fund shall be sold on the competitive basis and auctions, with providing preferential treatment for individuals in the jurisdiction of respective rural administrations (ail okmotu).

3. To establish, that proceeds from sale of rights to use land parcels of the Agricultural Land Fund shall be transferred to the Kyrgyz agricultural financial corporation as budget funds. Expenses of the Committee for Sale related to sale of rights to use land parcels of the Agricultural Land Fund shall be indemnified in compliance with the procedure determined by the Government of the Kyrgyz Republic.

4. To establish that unsold rights to use land parcels of the Agricultural Land Fund shall be leased out to land users for one year.

5. The Ministry of Agriculture and Food of the Kyrgyz Republic and local government administrations shall, within the period up to December 30, 1996, transfer debt obligations of agricultural goods producers on state credits lent to agriculture in 1994-1995.

6. The Government of the Kyrgyz Republic and the National Bank of the Kyrgyz Republic shall take measures aimed at increase of material and technical base

of the Kyrgyz Agricultural Financial Corporation, also at the cost of a part of property of liquidating joint stock commercial “KyrgyzAgroPromBank”, in compliance with the legislation of the Kyrgyz Republic.

7. The Government of the Kyrgyz Republic:

- shall lend government credits to agricultural goods producers via the Kyrgyz Agricultural Financial Corporation, whereas lending via the Ministry of Agriculture and Food of the Kyrgyz Republic and local state administrations shall be terminated (except credits on specialized investments programs);

- within one month term, shall develop and approve provisions on simplified and reliable mechanism of implementation of rights of rural inhabitants to receive their own land share and property shares, on the Committee for Sale of Rights to Use Land Parcels of the Agricultural Land Fund, on competitive selection and auction bids while selling rights to use land parcels of the Agricultural Land Fund, and on temporary lease of land parcels of the Agricultural Land Fund to land users;

- shall bring its decisions in compliance with this Decree.

8. This Decree becomes effective as of the date of promulgation

**President of the Kyrgyz Republic
Akaev**

A.

Bishkek City, House of Government
November 25, 1996
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