

## THE DECREE OF THE PRESIDENT OF UKRAINE

### About measures on development and regulation of the market of grounds of the occupied items, other grounds of not agricultural assignment

With the purpose of maintenance of realization of the property rights on ground of the citizens, legal persons acceleration of becoming and effective regulation of the market of grounds of the occupied items, other grounds of not agricultural assignment, engaging of the investments for development of the occupied items, increase of receipts in the budget of Ukraine

1. To approve of the Basic directions of development and regulation of the market grounds of the occupied items, other grounds of not agricultural assignment (increase).

2. To establish, that: The bodies of the executive authority in borders of authorities determined by the legislation provide transfer of the land lots of not agricultural assignment for accomplishment of enterprise activity in the property persons of Ukraine and citizens of Ukraine mainly by sale of these plots; Since 2000, annually in the project of the Law " About a public Finance of Ukraine "of separate rank supposes receipt of means from sale from a state ownership of the land lots of not agricultural assignment at a rate of not of smaller one percent of the shown budget of Ukraine.

3.To the Cabinet of Ministers of Ukraine:

1) To provide in the Program of activity of the Cabinet of Ministers of Ukraine the development in 2000 - 2004 of the legal acts directed on realization of the Basic directions of development and regulation of the market of grounds of the occupied items, other grounds of not agricultural assignment;

2) to make an active work with committees and factions Supreme the Ukraines concerning acceleration of adoption of parliament of the Laws of Ukraine " About the mortgage ", " About state registration of the rights on a real estate planning and building of territories" ;

3) to enter, since 2000, order of display by the subjects of enterprise activity in system of the account of their economic cost of the bought land lots and rights on them;

4) to develop during the first half-year of 2000 mechanisms of engaging by the citizens of Ukraine and legal persons of means with the purpose of purchase of the land lots of not agricultural assignment for accomplishment of enterprise activity; to take into accounts for the bought land lots and to supply introduction of the when due hereunder indicated mechanisms, having distribution of action of the legislation about leasing on the relations, which arise at realization of the property rights on the land lots; entering of the land lots and rights on them to the authorized capitals of the enterprises, and also use by companies of means from issues of the shares for purchase of the land lots and rights on them; engaging of the targeted support both development of social sphere and housing constructions in the occupied items under the warranties of the land lots; using of tools of the stock market for realization of accounts for the bought land lots, except for accounts carried out behind the agreements, one of which parties is the state; using of the rights on the land lots as a subject of operations with which the requests under the loans for consumption (bank loan), credit agreements are provided;

5) to provide when due hereunder of observance of a competitiveness, determination on market bases of the price of the land lots of not agricultural assignment transparency of the prices, receipt of means in a public Finance of Ukraine from budgets from sale of the indicated land lots from the state and municipal property, collection of a State Tax for certification of the agreements of disposal of the land lots and for realization of public tenders (auctions, tender) with the aim on the basis of the real price of the land lots;

6) to define during the first half-year of 2000 methods of state regulation of the order disposal of the land lots of not agricultural assignment by the citizens of Ukraine and legal persons of Ukraine, which have acquired the property rights to these land lots owing to their privatization (gratuitous or for the payment), which would provide: completeness and certainty of the information about operations with the land lots; openness of operations on disposal and availability of the information about the operations; the certainty of the items of information about the area of the land lot, which is dispensed; completeness of

means in the budget from tax payment and assembly (obligatory payments), formation of a market history (infodynamics(changes) of change in time of cost of the land lot) land lots;

7) to take measures concerning formation of an infrastructure of the market of ground of not agricultural assignment, development of business in sphere of granting of professional services in this market;

8) to supply display, since 2000, in the statistical given information on privatization and market turn-over of the land lots of agricultural assignment;

9) annually at preparation of the project of the State program of privatization to define the lists of objects, which are excluded from privatizing together with the land lots, and also the list of the land lots, on which disposed privatized objects, and to supply these lists to local state administrations and bodies of a local government.

4. Ministerial council of Independent Republic of Crimea, regional, Kiev and Sevastopol urban and regional state administrations with engaging when due hereunder of bodies of a local government: to provide equal possibilities to the citizens of Ukraine and legal persons of Ukraine concerning a finding of the property rights and other rights to the land lots, and also foreign citizens and legal persons concerning a finding of the right on the lease of the land lots;

To provide legal and natural persons of a condition for a structure of objects of a real estate on investment attractive territories including by sale of the land lots of not agricultural assignment or granting them on hire basis on competitive bases; to develop since 2002 years to develop local rules of building of investment attractive territories with definition(determination) of the conditions of use of the land lots of not agricultural purpose(assignment); to conduct in 2000-2001 years inventory of the land lots of not agricultural assignment, land lots with decayed building polluted land lots, which are in use of the enterprises, if two years are not used by them more than, and to use when due hereunder of measures on engaging them to a market; to define the lists and to supply the notification of the information concerning a site, its characteristic, possible directions of use and initial price of the land lots, which inventory is conducted, for sale them for ownership on competitive bases; to define in the first half-year of 2000 the land lots of not agricultural assignment subject

To prime sale, and to supply an openness of the information concerning their site, possible directions of use and terms. Since 2000, annually with allowance for town-planning and land-use of the documentation given of the state land lots to develop the plans privatization of the land lots of not agricultural assignment and to provide the appropriate receipts of the local budgets of separate rank ;

To supply development of the circuits of privatization of the land lots of not agricultural assignment with the following conditions: to develop the general plans of the occupied items, other town-planning and land use of the documentation with allowance for the directions of development and regulation of the market of grounds of the occupied items, other grounds of not agricultural assignment.

**The president of Ukraine L.Kuchma  
Kiev, February 4, 2000  
N 168/2000**

**APPROVED  
By the decree of the President of Ukraine  
From February 4, 2000 N 168/2000**

**THE BASIC DIRECTIONS  
Development and regulation of the market grounds of the occupied items, other grounds of not agricultural assignment**



improvements of socio economic development of territories.

At the same time sale to the enterprises, other subjects of enterprise activity of the land lots of not agricultural assignment from a state ownership, which area constitutes close 200 thousand hectares, opens a possibility of engaging in the shown budget of Ukraine more than 50 mld grivna.

By the basic reason, which constrains development of the market of ground, there is an imperfect legal maintenance of privatization and sales from a state ownership of the land lots, in particular to subjects of enterprise activity - legal persons in Ukraine, registration of the land lots and rights on them, protection of the rights of the proprietors of ground, limitation of categories of grounds, which can be free privatized by the citizens or sold from a state ownership to the legal persons, absent precise definition of the legal regime of grounds of not agricultural assignment in the occupied items and their limits.

However process of becoming the market land relations advances very slowly. For eight years only 60 % of the land lots in Ukraine, to what land lots was given in use, have privatized them. The deadlines of completion of privatization were not transferred. In some regions, in particular in cities, other occupied items, the bodies of a local government ignore fulfillment of laws of Ukraine and decrees of the President of Ukraine on privatization of the land lots, which does not assist engaging investments and credit resources in a national economy, support of business and housing construction, constant development of the occupied items. Only 3 % of the land lots, on which there are privatized by the subjects of enterprise activity objects, are the property of these subjects. Thereof the possibilities of filling of the local budgets, financing are insufficiently provided at expense of receipt of means from privatization of the land lots of the social programs, constructions of objects of social creation of additional jobs and improvements of socio economic development of territories. At the same time sale to the enterprises, other subjects of enterprise activity of the land lots of not agricultural assignment from a state ownership, constitutes close 200 thousand hectares, opens a possibility of engaging in the shown budget of Ukraine more than 50 mld.grivna

In Ukraine the insufficiently advanced finance-legal mechanisms of purchase of the land lots of not agricultural assignment, absence of accomplishment of enterprise activity and maintenance of a transparency in operation with the land lots in the secondary market is not created conditions for effective functioning of market establishments (land exchanges, land banks, land auctions), which would be provided with development and functioning of the secondary market of ground, absent authentic and complete information on the land lots, their cost, market history (information on dynamics(changes) of change in time of cost of plot and limitation concerning their use, are absent as well mechanisms of maintenance of completeness of tax payments, assembly (obligatory payments) to the budgets and of state target funds, assembly from market deals of ground.

Imperfect there is an organization of realization of an expert money estimation of the land lots of not agricultural assignment. Burdening are the procedures of the precedent coordination with bodies of the executive authority and local government, conditions of a structure of objects on the land lots of not agricultural assignment, registration both statement of objects, documentation and receivings of the sanctions on building of these land lots.

### 3. Basic whole formations, development and regulation of the market of ground

In conformity with a strategic rate of formation in Ukraine of bases of socially focused market economy by the basic principle of formation of the market of ground is:

formation of system managing on the basis of equality of all patterns of ownership on ground, development of institute of property on ground;

maintenance of unobstructed realization by the subjects of enterprise activity of the rights possession, use and order of land lots of not agricultural assignment with the purpose of increase of their fixed capital and development of enterprise activity;

improvement of an investment climate in economy, investment and credit appeal of the enterprises by sale to it of the land lots of not agricultural assignment;

increase of the incomes of a public Finance of Ukraine and local budgets at the expense of receipt of means from sale of land lots of not agricultural assignment, maintenance of a free turn-over of these land lots and rights on them;

maintenance rational and effective utilization of the land lots; increase of a role of social and ecological priorities in use

#### 4. Basic directions of development of the market of ground

By the basic directions of development, stable functioning and the regulations of the advanced market of ground are:

gratuitous transfer of the land lots of not agricultural assignment to the property to the citizens of Ukraine and sale of lots to the subjects of enterprise activity;

formation of an infrastructure of the market of ground, maintenance of its functioning, creation of conditions for development of a competitiveness, maintenance of a transparency of operations and reduction of investment hazard in this market;

introduction in Ukraine of an effective system of study of supplies and demands, development of management and regulation of the market of ground;

maintenance of an estimation of the land lots of not agricultural assignment in market conditions;

creation of the mechanism the coordination of private, public, state interests during functioning the market of ground;

maintenance of legal protection of the rights of the market participants of ground;

improvement of economic, legal bases of the mechanism functioning and regulation of the market of ground, transparent information system for maintenance of functioning and regulation of this market;

#### 5. Problem from realization of the

Basic directions The realization of the Basic directions requires the decision of the appropriate problems, namely:

concerning gratuitous transfer of the land lots of not agricultural assignment to the property to the citizens of Ukraine and sale of these land lots to the subjects of enterprise activity:

1) development and improvement of the transparent order of disposal of the land lots of not agricultural assignment and their use;

2) granting to the natural and legal persons of a possibility of a choice of the different allowed kinds of functional use of the land lots of not agricultural assignment;

3) development of mechanisms concerning competitive methods of a finding of the property right and right on the land lots (land auctions, tender, competitions on the building tenancy, accomplishment of the investment projects etc.);

4) improvement of procedures of a finding of the right on building by the proprietors and leasers of the land lots;

5) improvement of organization-legal mechanisms of granting of concessions for construction and exploitation of transport and urban engineering infrastructures;

6) determination of features of realization of the property right on ground in the free economic areas and territories for investment development;

concerning formation of an infrastructure of the market of ground, maintenance of its functioning, creation of conditions for development of a competitiveness, maintenance of a transparency of operations and reduction of investment hazard in this market:

1) creation of an infrastructure of the market of ground, in particular in structure of land exchanges, land banks and other credit institutions, maintenance of conditions for formation of the enterprises, establishments, organizations of different ownership, which will grant information, advisory services specialized educational institutions etc.;

2) assistance to creation consulting and realtor of the enterprises and databank of supplies and demands in the market

3) creation of the state register of grounds in structure of the state land cadastre;

4) Definition(determination) of the lists and maintenance of the notification of the information concerning account of the qualitative characteristic, possible(probable)

Directions of use and initial price of the land lots, which inventory is conducted, for sale them from a state owned competitive bases;

Concerning introduction in Ukraine of an effective system of study of supplies and demands, development of management and marketing in the market of ground:

1) determination and annual assertion on each occupied item of the list of the land lots for their possible sale and for the volumes of receipt of means in the budget from their privatization;

2) creation of marketing firms from service of the market of ground and preparation of the experts from land management;

3) periodic publication of the items of information about supplies and demands on the land lots, creation for this purpose of necessity special printed body;

concerning maintenance of an estimation of the land lots of not agricultural assignment in market conditions:

1) introduction of independent system of an estimation of the land lots of not agricultural assignment, rights on them, a complex with objects of the real estate;

2) creation of mechanisms of maintenance of a transparency of market deals of ground and free access to determine market value of the land lots of not agricultural assignment and rights on them;

3) granting state support concerning preparation and activity of the experts from an expert money estimation of the land lots for service of the market of ground;

4) organizations of state regulation of activity of the natural and legal persons, which carry out an expert money estimation of the land lots (licensing, certification, certification etc.);

concerning creation of the mechanism the coordination of private, public, state interests during functioning the market of ground:

1) improvement of the mechanism of the compulsory repayment of the land lots for state and public needs;

2) introduction of system of public discussion of the investment projects of development of an infrastructure and territories;

3) organization of development of the local rules of building most investment attractive territories with determination of directions of use of the land lots of not agricultural assignment;

4) formation rational land use and maintenance of an effective utilization of land fund of not agricultural assignment and of its estimation;

5) determination of the order negotiation using of the land lots of not agricultural assignment, according to the town planning documentation, local rules of building;

6) development of economic mechanisms of stimulation of the proprietors, leasers of the land lots concerning present improvement of ecological state of grounds of not agricultural purpose(assignment), and also historical-cultural purposes and non-profitable use of the land lots for the special social, ecological, historical-cultural purposes;

concerning maintenance of legal protection of the rights of the participants to the market of ground:

1) improvement of system of indemnifications for drawing of the losses to the proprietors or leasers of the land lots and limitations concerning their use precedent and the full indemnification to the proprietors and the leasers of cost of the

land lots, real estate and other losses;

2) Establishment of the warranties of the rights of the proprietors of ground, in case of its withdrawal for state and public needs;

3) maintenance of equal possibilities to the citizens of Ukraine and legal persons of Ukraine concerning a finding of the rights and other rights to the land lots, and also foreign natural and legal persons concerning a finding of the right on the land lots;

concerning improvement of the economic mechanism of functioning and regulation of the market of ground, transparent information system for maintenance of functioning and regulation of this market:

1) development of mechanisms engaging by the citizens of Ukraine and legal persons of Ukraine of means with the purchase of the land lots of not agricultural assignment for accomplishment of enterprise activity and accounts for the land lots and maintenance of introduction of the indicated mechanisms;

2) creation of the legal basis for engaging to a market turn-over of the rights on the land lots not agricultural assignment;

3) Introduction of an ascending scale of the taxation of the land lots, which are not used as required;

4) Development of the plans of privatization of the land lots of not agricultural assignment, with allowance for town-planning and land use of the documentation given of the state land cadastre;

5) development of the circuits of privatization of grounds with the following correcting of the General plans, other town-planning and land use of the documentation;

6) possibility receiving by the investors of the information necessary for a finding of the property right to the land lots of not agricultural assignment or right on their lease and conditions of their use.

6. Organization-legal and economic bases of regulation of the market of ground

For the coordination of private, public, state interests during formation primary and the functioning of the secondary markets of ground is realized the appropriate regulation on the part of public authorities and local government.

The realization of state policy in this sphere is realized by the central on it central and local bodies of the executive authorities and also bodies of a local government accordingly at national and local levels.

At a national level the acceptance of the normative-legal acts on questions is supposed: delimitation of grounds of the state and collective property;

registration of the land lots of not agricultural assignment, other objects of a real estate and rights on them; distribution and redistributions of grounds;

development of the basic bases and methods of privatization of grounds;

granting of the land lots of not agricultural assignment in use to the state enterprises, establishments, organizations;

the compulsory repayment of the land lots of not agricultural assignment for satisfaction of state or public needs;

planning of territories of the occupied items and development of the local rules of building of territories of the occupied items;

improvement of the basic bases of collection of the payment for ground;

management of the state land cadastre; organizations of land use and land use;

accomplishment of the state control behind use of ground by the proprietors and leasers of the land lots of not agricultural assignment;

the decision of land disputes.

The state regulation at a national level provides application of economic levers of influence on effective and ecological functioning of the market of grounds.

With this purpose the processing and application of mechanisms is supposed:

Introduction of the special payment for the not run in grounds behind an ascending scale depending on term of possession of land lot;

the taxation behind an ascending scale of operations on resale of the land lots depending on terms of stay of the land lots for agricultural assignment in the property by one of the person with the purpose prevention of gamble in the market of grounds;

the taxation behind an ascending scale of the land lots, which long time are not used as required.

At a local level the regulation of questions is realized:

Redistributions and uses of grounds according to the plans land industrial device, town-planning documentation and local building;

registration and registration of the rights on ground;

collection of the payment for the land lots;

direction of a means land lots, received from privatization, development of social sphere, assistance to formation of market demands of land use Accomplishment of land use and land use;

accomplishment of monitoring of the market of the land lots;

fulfilment of other problems directed on development of the market of grounds of not agricultural a

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**head  
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