

**LAW OF GEORGIA**  
**On Ownership of Agricultural Land**

**Chapter I**  
**General Provisions**

**Article 1. Purpose of the Law**

1. The purpose of the Law is:
  - a) Provide legal framework for management of economy by rational use of land and improve the agrarian sector;
  - b) Prevent partition and irrational use of the necessary land plots.
2. The Law defines:
  - a) The rule for the purchase and sale of agricultural land plots;
  - b) The state involvement in the regulation of relations involving agricultural land plots.

**Article 2. Sphere of Application of the Law**

1. This Law applies to agricultural land plots.
2. This Law also applies to:
  - a) Land plots and parts thereof if they are located in populated areas and used for the production of agricultural output and are registered as agricultural land plots in the Public Registry; (14.06.2000, N389)
  - b) Land plots located within a development zone the purpose of which have not changed;
  - c) Lands of the forest fund with which the land plots of rural population were filled.

**Article 3. Concept of Agricultural Land Plots**

1. An agricultural land plot is the land registered as an agricultural land plot in the Public Registry that is used for production of plant and animal products – with or without premises or ancillary structures thereon.
2. Agricultural land plots are also:

- a) Family-owned share of the pasturelands, hay lands and forests of a village, community or legal entities;
- b) The part of agricultural land that can be the object of separate title.

#### **Article 4. Agricultural Land Property**

1. Only a Georgian citizen or household as well as the legal entity registered in Georgia in accordance with the laws of Georgia that conducts its main business in the agrarian sector may hold a proprietary right to an agricultural land plot.
2. Deleted (*20.06.2003, N2429*)
3. Land in high mountainous regions can be in private, community and state property.
4. A family household is the integrity of the agricultural land plots, the dwelling and utility rooms located thereon as well as of processing industrial facilities and equipments that is the property of one physical person or the common property of spouses or other family members.
5. A family household shall be registered in the Estate Book (Public Registry). If the household is the common property of spouses or other family members, each of them shall be registered as the co-owner of the family household in the Estate Book (Public Registry) (*20.06.2003, N2429*).
- 5<sup>1</sup>. The Sub-Alpine and Alpine pasturelands on the Arsiani and Ajara-Imereti Ranges are the state-owned property, which the Ministry of Agriculture and Food of Georgia, in agreement with the Council of Ministers of the Autonomous Republic of Ajara, transfers for the term of 5 years, under the respective normative acts, for temporary use to the region, community or village, which traditionally use these territories as pasturelands (*20.06.2003, N2429*).
6. One of the co-owners duly authorized by the rest of the co-owners shall act on behalf of the family household before the third persons. This person shall be registered as the head of the family household in the Estate Book (Public Registry) (*20.06.2003, N2429*).
7. Deleted (*20.06.2003, N2429*)

#### **Article 5. Deleted**

### **Chapter II**

#### **Private Law (Civil Law) Limitation on Agricultural Lands**

## **Article 6. Right to Transfer Agricultural Land**

1. Agricultural lands in Georgia are transferred ordinarily as well as under general limitations.
2. Deleted *(20.06.2003, N2429)*
3. Deleted *(20.06.2003, N2429)*
4. Deleted *(20.06.2003, N2429)*

## **Article 7. Deleted**

## **Article 8. General Limitation on Transfer**

The owner who runs an estate (family) household together with his spouse or other family members may transfer the agricultural land plot or estate (family) household or his share of the common property only by their agreement. The agreement shall be certified by notary. Such agreement may be withheld only in the existence of a good cause. If the owner fails to obtain such agreement, he may apply to court. *(20.06.2003, N2429)*

## **Article 9. Contractual Right of Redemption**

In transferring the land plot, the seller may agree with the buyer to buy it out if the buyer ceases the land cultivation. If the buyer ceases the land cultivation after the death of the seller, the seller's legal successor who wishes to cultivate the land may independently exercise the right of redemption. *(20.06.2003, N2429)*

## **Article 10. Lessee's Preemptive Right**

1. In selling an estate (family) household, the lessee shall exercise the preemptive right if he runs the household himself.
2. In selling an agricultural land plot, the lessee shall exercise the preemptive right. If the lessee refuses to buy the land plot, the owner or/and lessee of the adjoining land plot shall have the pre-emptive right to the land plot under question. *(20.06.2003, N2429)*

## **Article 11. Preemptive Right to the Share in Common Property**

1. In selling a share in an estate (family) household, any co-owner may exercise the preemptive right if he wishes to run the household himself.
2. In selling a share in an agricultural land plot, any co-owner may exercise the preemptive right if he is the owner of the estate (family) household or runs such

household and the land plot is situated on the territory adjoining his land plot.  
(20.06.2003, N2429)

#### **Article 12. The State's Preemptive Right**

1. To regulate the Georgian land market and finance the programs for the use and protection of lands and restoration and maintenance of their fertility, the Estate Fund shall be set up with the State Budget of Georgia. Through the Estate Fund, the State shall have the preemptive right in manner and to the extent provided by law.
2. The State shall not exercise the preemptive right if:
  - a) The owner's child wishes to receive the estate (family) household and run it on his own;
  - b) The owner has transferred the estate (family) or the agricultural land plot, for state or public purposes or if the owner was deprived of it.
3. If the owner is survived by an incapable successor, the State shall not exercise the preemptive right pending establishment whether the successor can independently run the household. (20.06.2003, N2429)

#### **Article 13. Term of the Preemptive Right**

The preemptive right is cancelled within two weeks from the day on which the authorized person learned or must have learned that the owner is ceasing running the household.

#### **Article 14. Deleted**

### **Chapter III**

#### **Public Law (Administrative) Regulation of Relations Involving Agricultural Land Plots**

#### **Article 15. Deleted**

#### **Article 16. Deleted**

#### **Article 17. Deleted**

#### **Article 18. Deleted**

### **Article 19. Prohibitions with respect to the Use and Transfer of Agricultural Land**

1. It shall be prohibited to use an agricultural land plot for non-agricultural purposes except as provided by law. (14.06.2000, N389)
4. It shall be prohibited to transfer a land plot if the area remaining after such transfer is less than 5 ha. (20.06.2003, N2429)

### **Article 20. Penalties for Failure to Cultivate Land**

1. The penalties provided by law shall be imposed on the owner who fails, for two years in a row, to cultivate land, pay the land fee, run the household and in such case does not lease it to any other person.

### **Article 21. Civil Law Implications of Contracts**

1. Contracts failing to comply with the provisions of law shall be void.
2. The relations not governed by this Law shall be governed by the Civil Code of Georgia (14.06.2000, N389).

## **Chapter VI**

### **Transitional Provisions (26.11.2004, N628)**

### **Article 22. Transitional Provisions (26.11.2004, N628)**

1. Paragraph 7 of Article 4 and Paragraph 3 of Article 6 of this Law be enacted from January 1, 2001 (24.12.99, N91, Sakanonmdeblo Matzne N52(59)).
2. The land plots to the families residing in the Autonomous Republic of Ajara to whom the land plots are due by law but have not been transferred be transferred in private property by December 31, 2006. (26.11.2004, N628)

**President of Georgia**

*Eduard Shevardnadze*

Tbilisi

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