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6 July 2021 [shall come into force on 9 July 2021].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted and

the President has proclaimed the following law:

**Law on the Completion of Privatisation of State and Local Government Property and Use of Privatisation Certificates**

**Chapter I**

**General Provisions**

**Section 1. Terms and Concepts Used in the Law**

(1) Terms and concepts in the provisions of this Law which govern the privatisation of State or local government property objects and of built-up and vacant plots of land owned by or under jurisdiction of the State or a local government are used within the meaning of the law On Privatisation of State and Local Government Property Objects.

(2) Terms and concepts in the provisions of this Law which govern the alienation of State or local government property are used within the meaning of the Law on the Alienation of the Property of a Public Person.

(3) Terms and concepts in the provisions of this Law which govern the granting of privatisation certificates, the transactions with privatisation certificates, and also the use of privatisation certificates are used within the meaning of the law On Privatisation Certificates.

(4) Terms and concepts in the provisions of this Law which govern the completion of the land reform in cities and rural areas are used within the meaning of the laws On Land Reform in the Cities of the Republic of Latvia, On Completion of Land Reform in Cities, On Land Privatisation in Rural Areas, and On the Completion of Land Reform in Rural Areas.

(5) The terms “land” and “plot of land” used in this Law and the land reform laws correspond to the term “land parcel” used in the State Immovable Property Cadastre Law.

[*21 June 2007; 5 May 2011*]

**Section 2. Purpose of the Law**

The purpose of the Law is to ensure that the privatisation of State or local government property is completed, and also the granting and use of privatisation certificates are completed in the privatisation, alienation, and redemption of State or local government property.

**Section 3. Scope of Application of the Law**

(1) The Law prescribes the following in the field of privatisation of State or local government property objects, built-up and vacant plots of land:

1) the deadline by which a person may submit a proposal for privatisation;

2) the procedures for submitting and registering a proposal for privatisation;

3) the procedures for taking the decision to transfer a State or local government property object, built-up and vacant plots of land for privatisation;

4) the procedures for privatising built-up and vacant plots of land and the privatisation conditions;

5) the procedures for privatising a built-up plot of land if the owner of a building (structure) has changed, joint property of buildings (structures) has been established, or buildings (structures) have been divided into independent property objects upon receipt of a proposal for privatisation;

6) the payment procedures;

7) the procedures for taking the decision to terminate privatisation;

8) further action involving State or local government capital shares and capital companies;

9) further actions involving State or local government property objects, built-up and vacant plots of land;

10) the action involving objects having importance to national economy;

11) the action in case of any disputes regarding matters related to the privatisation of State or local government property objects, built-up or vacant plots of land.

(2) The Law prescribes the following in the field of alienation of a plot of land owned by the State or a local government:

1) the deadline by which a person may submit a proposal for alienation in order to use property compensation certificates as means of payment for a built-up plot of land to be alienated;

2) the procedures for submitting and registering a proposal for alienation;

3) the procedures for taking the decision to transfer a built-up plot of land for alienation;

4) the procedures for alienating a built-up plot of land and the alienation conditions;

5) the payment procedures;

6) actions involving vacant plots of land;

7) actions in case of any disputes regarding matters related to the alienation of built-up plots of land.

(3) The Law prescribes the following in the field of completion of the land reform:

1) the deadline by which a person may submit a proposal for redemption of the land in rural areas granted for permanent use;

2) the procedures for establishing a register for redemption of land in cities and land in rural areas granted for use;

3) further action involving the land in cities and rural areas not included in the relevant register or included in the register but not redeemed;

4) the deadline when the right to use the land in rural areas and the right to use the land in cities granted for permanent use expire in accordance with the law;

41) the right of the Cabinet to designate a person, including a private individual, (hereinafter – the authority designated by the Cabinet) which, starting from 1 March 2014, performs the delegated State administration task – conclusion of contracts for redemption (purchase) of land, control of the fulfilment of such contracts, and transfer of the land not redeemed into the ownership of a local government;

5) the action in case of any disputes regarding matters related to the land reform.

(4) The Law prescribes the following in the field of granting and use of privatisation certificates:

1) the procedures for terminating granting and settlement of privatisation certificates;

2) the conditions for the use of privatisation certificates;

3) the action in case of any disputes regarding the issues of granting privatisation certificates.

[*21 June 2007; 16 January 2014*]

**Section 4. Legal Framework**

(1) A State or local government property object and built-up and vacant plots of land owned by or under jurisdiction of the State or a local government shall be transferred for privatisation and privatised in accordance with the law On Privatisation of State and Local Government Property Objects, unless prescribed otherwise by this Law.

(2) A built-up plot of land owned by the State or a local government shall be transferred for alienation and alienated in accordance with the Law on the Alienation of the Property of a Public Person, unless prescribed otherwise by this Law.

(3) Land in cities and land in rural areas for use shall be redeemed in accordance with the procedures laid down in the laws On Completion of Land Reform in Cities, On Land Reform in the Cities of the Republic of Latvia, On the Completion of Land Reform in Rural Areas, and On Land Privatisation in Rural Areas, unless prescribed otherwise by this Law.

(4) Privatisation certificates shall be granted and used in accordance with the procedures laid down in the law On Privatisation Certificates, unless prescribed otherwise by this Law.

(5) Use of the land in rural areas and the land in cities granted for permanent use shall be governed by the laws and regulations in the field of land reform and land management, unless prescribed otherwise by this Law.

(6) Expenses of a private individual which are related to the fulfilment of the State administration task delegated thereto in this Law, i.e. conclusion of contracts for redemption (purchase) of land, control of the fulfilment of such contracts, and transfer of the land not redeemed into the ownership of a local government, shall be covered, in accordance with the procedures laid down by the Cabinet, from revenues from the service and resources of the reserve fund established on the basis of the law On Privatisation of State and Local Government Property Objects.

[*21 June 2007; 5 May 2011; 16 January 2014; 6 June 2019*]

**Chapter II**

**Completion of Privatisation of State or Local Government Property Objects and Built-up and Vacant Plots of Land**

**Section 5. Submission and Registration of Proposals for Privatisation**

(1) A proposal for the privatisation of a State or local government property object in accordance with the procedures laid down in Section 12, Paragraphs one and two or Section 31, Paragraphs one and two of the law On Privatisation of State and Local Government Property Objects, and a proposal for the privatisation of a built-up or vacant plot of land owned by or under jurisdiction of the State or a local government in accordance with the procedures laid down in Section 65 of the law On Privatisation of State and Local Government Property Objects may be submitted until 31 August 2006 (hereinafter – the date of completion).

(2) In accordance with Section 65, Paragraph one of the law On Privatisation of State and Local Government Property Objects, a proposal for the privatisation of a built-up plot of land may be submitted by the following:

1) a person whose ownership rights to buildings (structures) which are on this plot of land have been corroborated in the Land Register;

2) a person whose ownership rights to buildings (structures) which are on this plot of land have not been corroborated in the Land Register due to restrictions specified in laws but who has acquired the right to these buildings (structures) as a result of privatisation.

(3) All proposals for the privatisation of State or local government property objects and built-up and vacant plot of land shall be registered in the register of proposals for privatisation (hereinafter – the Privatisation Register).

(4) The Privatisation Register shall be established and maintained by the authorities carrying out privatisation.

(5) Proposals for privatisation shall be registered in the Privatisation Register in the order of their submission on the day of receipt of such proposals.

(6) All proposals for the privatisation of State or local government property objects and built-up and vacant plots of land which have been received by the authority carrying out privatisation prior to coming into force of this Law and in respect of the objects or plots of land referred to in the proposals no purchase contract has been concluded shall also be registered in the Privatisation Register in the order of their submission.

(7) After the completion date, local governments shall, on a quarterly basis, submit to the Ministry of Economics information on the received proposals for the privatisation of local government property objects and built-up and vacant plots of land, the decisions to transfer such objects and plots of land for privatisation, the purchase price, and the quantity of the privatisation certificates to be used for payment.

(8) Information to be entered in the Privatisation Register shall be publicly available, except for the information which shall not be disclosed to a third person in accordance with the Personal Data Protection Law.

(9) The Cabinet shall determine the information to be entered in the Privatisation Register and the procedures for keeping the Register.

**Section 6. Decision to Transfer a State or Local Government Property Object or Plots of Land for Privatisation**

(1) The authority carrying out privatisation of State properties shall prepare and submit to the Ministry of Economics a draft Cabinet Order specified in Section 12, Paragraph three and Section 66, Paragraph one of the law On Privatisation of State and Local Government Property Objects and regarding the transfer of a State property object, a built-up plot of land referred to in Section 5, Paragraph two, Clause 2 of this Law, and also a vacant plot of land for privatisation within two months from the day of receipt of the proposal for privatisation.

(2) The Cabinet or a local government council shall take the decision referred to in Section 12, Paragraph four, Section 31, Paragraph three, and Section 66 of the law On Privatisation of State and Local Government Property Objects to transfer a State or local government property object, and also built-up and vacant plots of land for privatisation or a reasoned refusal to reject the proposal for privatisation within four months from the day of receipt of the proposal for privatisation.

(3) When deciding on the transfer of a State or local government property object, and also built-up and vacant plots of land for privatisation, the Cabinet or a local government council shall evaluate whether the relevant object or plot of land is necessary for the performance of State administration functions or State or local government commercial activities in accordance with the State Administration Structure Law.

(4) The Cabinet shall determine State capital companies or capital shares (stock) for the privatisation of which privatisation certificates cannot be used.

(5) Only the Cabinet may take the decision to refuse to transfer a State property object, the built-up plot of land referred to in Section 5, Paragraph two, Clause 2 of this Law, and also a vacant plot of land for privatisation. Objections of a ministry or another authority to the transfer of the specific State property for privatisation may not form the grounds for the Cabinet not to examine the proposal for the privatisation of this State property on the merits. The decision to refuse to transfer a State property object, the built-up plot of land referred to in Section 5, Paragraph two, Clause 2 of this Law, and also a vacant plot of land for privatisation shall indicate the State administration function or the commercial activity for the performance of which the relevant object or plot of land is necessary.

(6) Only a local government council may take the decision to refuse to transfer a local government property object, and also built-up and vacant plots of land owned by a local government for privatisation. Objections of a local government unit, committee, commission, or another authority to the transfer of the specific local government property object, and built-up and vacant plots of land owned by the local government for privatisation may not form the grounds for not examining the proposal for privatisation on the merits. The decision to refuse to transfer the local government property object, and also the built-up and vacant plots of land for privatisation shall indicate the State administration function or the commercial activity for the performance of which the relevant object or plot of land is necessary.

(7) If the proposal for privatisation has been submitted before the date of completion and the privatisation subject has the right of first refusal in accordance with Section 17, Paragraph one or Section 35, Paragraph one of the law On Privatisation of State and Local Government Property Objects, the Cabinet or a local government council is not entitled to transfer the relevant State or local government property object for privatisation in accordance with the Law on the Alienation of the Property of a Public Person.

(8) Until 31 December 2007, the Cabinet or a local government council is entitled to transfer itself for privatisation a State or local government property object and also such vacant plot of land which is being privatised through the method of investment (Section 12, Paragraph two of this Law).

(9) The Cabinet or a local government council is not entitled to transfer a built-up plot of land and a vacant plot of land (Section 12, Paragraph one of this Law) for privatisation in respect of which no proposal for privatisation has been received before the date of completion.

[*21 June 2007; 5 May 2011; 6 June 2019*]

**Section 7. Decision to Transfer a Built-up Plot of Land for Privatisation**

(1) The decision to transfer a built-up plot of land owned by or under jurisdiction of the State for privatisation if the ownership rights of the owner of a building (structure) which is on this plot of land have been corroborated in the Land Register shall be taken by the authority carrying out privatisation of State properties not later than within two months from the day when the proposal for privatisation and all documents necessary for privatisation which confirm the right of first refusal of the person have been received.

(2) The authority carrying out privatisation of State properties may not transfer for privatisation a built-up plot of land on which the Cabinet has taken the decision to maintain the plot of land in the ownership of the State because it is necessary for the performance of State administration functions in accordance with the State Administration Structure Law. The Cabinet decision shall indicate the State administration function for the performance of which the plot of land is necessary.

(21) If a built-up plot of land owned by or under jurisdiction of the State may not be privatised or alienated in accordance with other laws, the authority carrying out privation of State properties shall, within the time period specified in Paragraph one of this Section, take a reasoned decision to refuse to transfer the relevant built-up plot of land owned by or under jurisdiction of the State for privatisation.

(3) Upon receipt of the decision of the authority carrying out privatisation of State properties to commence privatisation of a built-up plot of land, a public authority which possesses the relevant plot of land shall transfer it to the authority carrying out privatisation of State properties within the time period and in accordance with the procedures laid down in Section 67 of the law On Privatisation of State and Local Government Property Objects.

(4) The decision to transfer a plot of land owned by or under jurisdiction of a local government for privatisation shall be taken by a local government council not later than within two months from the day when the proposal for privatisation and all the documents necessary for privatisation which confirm the right of first refusal of the person have been received.

(5) The Cabinet shall, in accordance with the procedures laid down in Section 6 of this Law, take the decision to:

1) transfer the built-up plot of land referred to in Section 5, Paragraph two, Clause 2 of this Law for privatisation;

2) transfer a built-up plot of land under jurisdiction of the State and possessed by a local government for privatisation.

[*21 June 2007; 6 June 2019*]

**Section 8. Price of a Built-up Plot of Land**

(1) The authority carrying out privatisation shall determine the price of a built-up plot of land (a separate built-up plot of lad and a built-up plot of land together with a State or local government property object to be privatised) and it shall be equal to the value of the specific built-up plot of land determined by the State Land Service for the purposes of privatisation, except for the case referred to in Paragraph three of this Section.

(2) The State Land Service shall determine the value of a built-up plot of land for the purposes of privatisation in accordance with the Cabinet regulations regarding appraisal of land for the purposes of privatisation by taking into account the last base of cadastral values approved in accordance with the procedures laid down in Section 68, Paragraph one of the State Immovable Property Cadastre Law, the data registered in the State Immovable Property Cadastre Information System on the area and encumbrances of the plot of land, and the purpose of use of the plot of land for privatisation.

(3) [16 June 2009]

(4) In privatising a built-up plot of land on which a forest stand is located, a purchaser shall also purchase the forest stand. The authority carrying out privatisation shall determine the value of a forest strand in euros and it shall be equal to the value of the forest stand determined by the State Forest Service. The State Forest Service shall determine the value of the forest stand in accordance with the Cabinet regulations issued on the basis of the law On the Completion of Land Reform in Rural Areas.

[*21 June 2007; 16 June 2009; 19 September 2013*]

**Section 9. Procedures for Privatising a Built-up Plot of Land**

(1) The authority carrying out privatisation shall not lay down provisions for the privatisation of a built-up plot of land if the ownership rights to a building (structure) which is on it have been corroborated in the Land Register (Section 5, Paragraph two, Clause 1).

(2) The authority carrying out privatisation shall send the notice of privatisation to a person who has the right of first refusal to a built-up plot of land indicating the following:

1) the address and cadastre number (designation) of the plot of land;

2) the total area of the plot of land;

3) the price of the plot of land;

4) the means of payment and their proportions;

5) the claims submitted in respect of the plot of land to be privatised;

6) the conditions for the payment of the purchase price of the plot of land;

7) the rights and obligations to be transferred;

8) the documents and information which must be submitted to the authority carrying out privatisation in order to conclude the contract for the purchase of the plot of land.

(3) The authority carrying out privatisation shall request in the notice of privatisation the person who has the right of first refusal to, within two months from the day the notice of privatisation is received:

1) reply in writing whether he or she wishes to privatise the plot of land under the respective conditions;

2) indicate in writing the preferred settlement period for the plot of land;

3) submit the documents and information indicated in the notice of privatisation in order to conclude the purchase contract.

(4) [29 January 2015]

(5) Not later than within two weeks after the person who has the right of first refusal has confirmed his or her wish to privatise the plot of land, the authority carrying out privatisation shall offer the person who has the right of first refusal to conclude the contract for the purchase of the plot of land by sending a draft contract to this person in a registered letter or delivering it to him or her against signature of receipt.

(6) The person who has the right of first refusal shall respond within a month after receipt of the draft purchase contract.

(7) If the person cannot or does not exercise his or her right of first refusal to the built-up plot of land, he or she has the land lease right to the same plot of land to which he or she has the right of first refusal, and this plot of land shall not be privatised or alienated to other persons. The Cabinet shall lay down the procedures for calculating the lease payment for the built-up plot of land. The lease payment for the plot of land shall be based on the cadastral value of the plot of land.

[*21 June 2007; 7 February 2008; 29 January 2015*]

**Section 10. Privatisation of a Built-up Plot of Land if the Owner of a Building (Structure) Has Changed, Joint Property of Buildings (Structures) Has Been Established, or Buildings (Structures) Have Been Divided into Independent Property Objects Upon Receipt of a Proposal for Privatisation**

(1) If the owner of a building (structure) which is on a plot of land has changed upon receipt of a proposal for the privatisation of the built-up plot of lad, the authority carrying out privatisation may only take the decision to transfer the built-up plot of land for privatisation if the new owner of the building (structure) submits a request to continue privatisation of the plot of land.

(2) If a building (structure) which is on a plot of land becomes joint property upon receipt of a proposal for the privatisation of the built-up plot of land, the undivided share of the plot of land under jurisdiction of the joint owner shall be privatised if the joint owner submits a request to continue privatisation of the plot of land. The authority carrying out privatisation shall take the decision to continue the privatisation of the plot of land according to the undivided share of the building (structure) owned by the joint owner.

(3) If buildings (structures) which are on a plot of land are divided as independent property objects upon receipt of a proposal for the privatisation of the built-up plot of land, the authority carrying out privatisation shall take the decision to divide the plot of land into independent property objects if the plot of land can be actually divided.

(4) In the case referred to in Paragraph three of this Section, persons requesting the division of a plot of land shall cover expenses of the division of a plot of land in proportion to the size of the divided plot of land. The persons requesting the division of the plot of land shall be jointly liable for the payment of the expenses incurred as a result of the division of the plot of land.

(5) The authority carrying out privatisation may only take the decision to privatise the newly created plot of land referred to in Paragraph three of this Section, provided that:

1) the owner of the building (structure) which is on the newly created plot of land submits the request to continue the privatisation of the plot of land to which this owner has the right of first refusal;

2) the expenses of the division of the plot of land referred to in Paragraph four of this Section have been covered.

**Section 11. Investment of a Built-up Plot of Land in the Equity Capital of a Capital Company During the Privatisation Process**

(1) A built-up plot of land may only be invested in the equity capital of a capital company that owns the buildings (structures) which are on this plot of land.

(2) The Cabinet shall take the decision to invest a built-up plot of land of the State in the equity capital of a capital company.

(3) A local government council shall take the decision to invest a built-up plot of land of the relevant local government in the equity capital of a capital company.

**Section 11.1 Right of First Refusal of Privatisation Subjects**

(1) The right of first refusal to a garage (group of premises) to be privatised in the case of privatisation of garages which constitute a State or local government property object shall belong to the following:

1) the lessee of the garage (group of premises), unless he or she has lease payment debts;

2) the joint owner, unless the persons referred to in Clause 1 of this Paragraph have exercised their right of first refusal;

3) the privatisation subject who owns a plot of land on which the garage is located if more than half of the territory occupied by the garage to be privatised is located on this plot of land and the persons referred to in Clauses 1 and 2 of this Paragraph or any of them has exercised his or her right of first refusal.

(2) The persons referred to in Paragraph one of this Section shall acquire the right of first refusal if they apply within one month from the day of publishing the notice regarding commencement of privatisation of the garage which constitutes a State or local government property object.

[*17 June 2010*]

**Section 12. Conditions for the Privatisation of Vacant Plots of Land**

(1) If a vacant plot of land is privatised through the method of sale, sale at auction shall be applied as a privatisation technique without applying selection of tenderers, and the opening price for the auction of the plot of land shall be its normal value (in accordance with Section 871 of the Civil Law) which is determined by a certified appraiser of immovable property.

(2) If a vacant plot of land is privatised through the method of investment, this plot of land shall be invested in the equity capital of a capital company at its normal value in accordance with Section 154, Paragraph three of the Commercial Law.

(3) The Cabinet shall take the decision to invest a vacant plot of land of the State in the equity capital of a capital company.

(4) A local government council shall take the decision to invest a vacant plot of land of the relevant local government in the equity capital of a capital company.

(5) If a vacant plot of land having the status of an inter-area of land is transferred for privatisation, it shall be sold in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person.

[*17 June 2010; 5 May 2011*]

**Section 13. Settlement of Payments for a State or Local Government Property Object, Built-up and Vacant Plots of Land**

(1) The maximum settlement period for a State or local government object and also for built-up and non-built up plots of land shall be five years from the day of concluding the purchase contract.

(2) In concluding the purchase contract whereto a deferred payment (hire) is applied, the fee for the deferred payment shall be six per cent a year of the outstanding share of privatisation certificates and euros by making payment in euros.

(3) In concluding the purchase contract for the purchase of a vacant plot of land, euros shall serve as means of payment.

[*21 June 2007; 16 June 2009; 19 September 2013, 6 June 2019*]

**Section 14. Decision to Terminate Privatisation**

(1) The authority carrying out privatisation of State property may take the decision to terminate privatisation of a State property object and also a built-up plot of land (Section 5, Paragraph two, Clause 2 of this Law) and a vacant plot of land if:

1) provisions of privatisation of the State property object have been approved and no tenderer has applied for the privatisation of this object or has been approved as a purchaser;

2) an auction of the vacant plot of land of the State has been announced and no tenderer has applied for the purchase of this plot of land or has been approved as a purchaser;

3) the approved purchaser of the State property object and also the built-up plot of land referred to in Section 5, Paragraph two, Clause 2 of this Law or vacant plot of land has failed to conclude the purchase contract within two months from the day when he or she has received the invitation to conclude the purchase contract or during extension of the time period for concluding the purchase contract.

(2) A local government council may take the decision to terminate privatisation of a local government property object and also built-up and vacant plots of land if:

1) a draft of privatisation of the local government property object has been approved and no tenderer has applied for the privatisation of this object or has been approved as a purchaser;

2) an auction of the local government property object or vacant plot of land has been announced and no tenderer has applied for the purchase of this property object or plot of land or has been approved as a purchaser;

3) the approved purchaser of the local government property object and also the built-up or vacant plots of land has failed to conclude the purchase contract within two months from the day when he or she has received the invitation to conclude the purchase contract or during extension of the time period for concluding the purchase contract;

4) it has received back a registered letter in which the notice of privatisation or the invitation to conclude the purchase contract was sent to the person who has the right of first refusal to his or her indicated and declared address of place of residence.

(3) The authority carrying out privatisation of State property may take the decision to terminate privatisation of a built-up plot of land (Section 5, Paragraph two, Clause 1 of this Law) if:

1) the person who has the right of first refusal to this plot of land has failed to conclude the purchase contract within two months from the day when he or she has received the invitation to conclude the purchase contract or during extension of the time period for concluding the purchase contract;

2) it has received back a registered letter in which the notice of privatisation or the invitation to conclude the purchase contract was sent to the person who has the right of first refusal to his or her indicated and declared address of place of residence.

[*7 February 2008; 17 June 2010; 29 January 2015; 6 June 2019*]

**Section 15. Further Action Involving State or Local Government Capital Shares or Capital Companies**

(1) Capital shares owned by the State or a local government in respect of which a proposal for privatisation has not been received before the date of completion or which the Cabinet or a local government council has not transferred for privatisation in accordance with Section 6, Paragraph eight of this Law may be alienated in the future in accordance with the procedures laid down in the Law on Governance of Capital Shares of a Public Person and Capital Companies.

(2) State or local government capital companies in respect of which a proposal for privatisation has not been received before the date of completion or which the Cabinet or a local government council has not transferred for privatisation in accordance with Section 6, Paragraph eight of this Law may only become a fully private capital company or a private capital company with State or local government capital share in accordance with the procedures laid down in the Law on Governance of Capital Shares of a Public Person and Capital Companies.

(3) Capital shares and capital companies owned by the State or local government in respect of which a proposal for privatisation has been received before the date of completion but the Cabinet or a local government council takes a reasoned decision to reject the proposal for privatisation in accordance with Section 6, Paragraph three of this Law may not be privatised in the future in accordance with the law On Privatisation of State and Local Government Property Objects but may be alienated in accordance with the procedures laid down in the Law on Governance of Capital Shares of a Public Person and Capital Companies.

[*6 June 2019*]

**Section 16. Further Actions Involving Other State or Local Government Property Objects, Built-up and Vacant Plots of Land**

(1) State or local government property objects, except for those referred to in Section 15 of this Law, and also built-up and vacant plots of land in respect of which a proposal for privatisation has been received before the date of completion but the Cabinet or a local government council takes a reasoned decision to reject the proposal for privatisation in accordance with Section 6, Paragraph three of this Law may not be privatised in the future in accordance with the law On Privatisation of State and Local Government Property Objects but may be transferred for alienation in accordance with the Law on the Alienation of the Property of a Public Person not earlier than three years after taking of the decision to reject the proposal for privatisation, except for the cases referred to in Paragraph three of this Section.

(2) State or local government property objects, except for those referred to in Section 15 of this Law, and also built-up and vacant plots of land in respect of which a proposal for privatisation has not been received or privatisation has been terminated after the date of completion in accordance with Section 14 of this Law, or which the Cabinet or a local government council has not transferred for privatisation in accordance with Section 6, Paragraph eight of this Law may be alienated in the future in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person.

(3) The time period referred to in Paragraph one of this Section shall not be applied if the Cabinet or a local government council takes a reasoned decision to reject a proposal for the privatisation of a State or local government property object, a built-up or vacant plot of land for privatisation in accordance with Section 6, Paragraph three of this Law because the relevant object or plot of land is necessary for the following:

1) the performance of commercial activities of the State or local government and it will be invested in the capital company specified in the decision to reject the proposal for privatisation;

2) the performance of State administration functions and hence it will be exchanged for immovable property owned by another person in accordance with the Law on the Alienation of the Property of a Public Person;

3) the performance of State administration functions and hence it will be transferred into the ownership of the State or a local government respectively without consideration.

(4) The State or local government may establish a fund for exchange of vacant plots of land in which the vacant plots of land owned by the State or a local government respectively shall be included. The Cabinet regulations shall govern the action involving plots of land included in the fund which constitutes exchange thereof for immovable property owned by other persons.

(5) The Cabinet regulations shall govern the lease of a plot of land owned by or under jurisdiction of the State or a local government and the procedures for calculating the lease payment.

[*21 June 2007; 5 May 2011*]

**Section 17. Action Involving Objects Having Importance to National Economy**

(1) *Valsts akciju sabiedrība “Latvenergo”* [State joint-stock company Latvenergo], *valsts akciju sabiedrība “Latvijas pasts”* [State joint-stock company Latvian Post], *valsts akciju sabiedrība “Starptautiskā lidosta “Rīga”* [State joint-stock company Riga International Airport], *valsts akciju sabiedrība “Latvijas dzelzceļš”* [State joint-stock company Latvian Railway], *valsts akciju sabiedrība “Latvijas gaisa satiksme”* [State joint-stock company Latvian Air Traffic], and *valsts akciju sabiedrība “Latvijas valsts meži”* [State joint-stock company Latvian State Forests] and stock of these companies may not be privatised or alienated.

(2) If any of the State stock companies referred to in Paragraph one of this Section owns 100 per cent of capital shares in another capital company, the Cabinet shall take a decision on the fact that the State joint-stock company referred to in Paragraph one of this Section will no longer own 100 per cent of capital shares in another capital company.

(3) The Cabinet shall take the decision to terminate a decisive influence (within the meaning of the Group of Companies Law) of the State joint-stock company referred to in Paragraph one of this Section in other companies.

**Chapter III**

**Termination of the Use of Property Compensation Certificates as Means of Payment for the Alienation of Built-up Plot of Land and Action Involving Vacant Plots of Land**

**Section 18. Submission and Registration of a Proposal for the Alienation of a Built-up Plot of Land**

(1) A proposal for the alienation of a State or local government plot of land if the ownership rights of another person to a building (structure) which is on this plot of land have been corroborated in the Land Register shall be submitted by the owner of the building (structure) whose building (structure) is on this plot of land (hereinafter – the built-up plot of land to be alienated) to *valsts akciju sabiedrība “Valsts nekustamie īpašumi”* [State joint-stock company State Real Estate] and a local government (hereinafter – the authority carrying out alienation) in accordance with Section 28 of the law On Land Reform in the Cities of the Republic of Latvia and Section 4, Paragraph four of the Law on the Alienation of the Property of a Public Person.

(2) The authority carrying out alienation shall register a proposal for alienation submitted before the date of completion in the register of proposals for alienation of this authority (hereinafter – the Alienation Register).

(3) Proposals for alienation shall be registered in the Alienation Register in the order of their submission on the day of receipt of such proposals.

(4) All proposals for the alienation of State or local government built-up plots of land which have been received by the authority carrying out alienation before coming into force of this Law and in respect of the plots of land specified in the proposals no purchase contract has been concluded shall also be registered in the Alienation Register in the order of their submission.

(5) Local governments shall, after the date of completion on a quarterly basis, submit to the Ministry of Economics information on the built-up local government plots of land to be alienated, the received proposals for alienation, the decisions to transfer such plots of land for alienation, the purchase price, and the quantity of the property compensation certificates to be used for payment.

(6) Information to be entered in the Alienation Register shall be publicly available, except for the information which shall not be disclosed to a third person in accordance with the Personal Data Protection Law.

(7) The Cabinet shall lay down the information to be entered in the Alienation Register and the procedures for keeping the Register.

[*5 May 2011*]

**Section 19. Decision to Transfer a Built-up Plot of Land for Alienation**

(1) The decision to transfer a built-up plot of land owned by the State for alienation shall be taken by the State joint-stock company State Real Estate not later than within two months from the day when the proposal for alienation and all the documents necessary for alienation which confirm the right of first refusal of the person have been received or not later than within two months from entering the plot of land to be alienated in the Land Register in the name of the State.

(2) The State joint-stock company State Real Estate may not transfer for alienation a built-up plot of land in respect of which the Cabinet has taken the decision to maintain the plot of land in the ownership of the State as it is necessary for the performance of State administration functions in accordance with the State Administration Structure Law. The Cabinet decision shall indicate the State administration function for the performance of which the plot of land is necessary.

(3) The decision to transfer a built-up plot of land owned by a local government for alienation shall be taken by a local government council not later than within two months from the day when the proposal for alienation and all documents necessary for alienation which confirm the right of first refusal of the person have been received or not later than within two months from recording the plot of land to be alienated in the Land Register in the name of the local government.

(4) A local government council may not transfer for alienation a built-up plot of land in respect of which it has taken the decision to maintain the plot of land in the ownership of a local government because it is necessary for the performance of State administration functions in accordance with the State Administration Structure Law. The decision of the local government council shall indicate the State administration function for the performance of which the plot of land is necessary.

**Section 20. Basic Conditions for the Alienation of a Built-up Plot of Land**

(1) A built-up plot of land and a forest stand which is on it shall be sold at a price which has been determined in accordance with Section 8 of this Law.

(2) The authority carrying out alienation shall not lay down provisions for the alienation of a built-up plot of land.

(3) The authority carrying out alienation shall send to the person who has the right of first refusal to a built-up plot of land the notice of alienation indicating the following:

1) the address and cadastre number (designation) of the plot of land;

2) the total area of the plot of land;

3) the price of the plot of land;

4) the means of payment and their proportions;

5) the claims submitted in respect of the plot of land to be alienated;

6) the conditions for the payment of the purchase price of the plot of land;

7) the rights and obligations to be transferred;

8) the documents and information which must be submitted to the authority carrying out alienation in order to conclude the contract for the purchase of the plot of land.

(4) The authority carrying out alienation shall request in the notice of alienation the person who has the right of first refusal to, within two months from the day the notice of alienation is received:

1) reply in writing whether he or she wishes to purchase the plot of land under the respective conditions;

2) indicate in writing the preferred settlement period for the plot of land. The maximum settlement period for a built-up plot of land shall be five years from the day of concluding the purchase contract;

3) submit the documents and information indicated in the notice of alienation in order to conclude the purchase contract.

(5) [29 January 2015]

(6) Not later than within two weeks after the person who has the right of first refusal has confirmed his or her wish to purchase the plot of land, the authority carrying out alienation shall offer the person who has the right of first refusal to conclude the contract for the purchase of the plot of land by sending a draft contract to this person in a registered letter or delivering it to him or her against signature of receipt.

(7) The person who has the right of first refusal shall respond within a month after receipt of the draft purchase contract.

(8) In concluding the contract for the purchase of the plot of land to be alienated to which a deferred payment (hire) is applied, the fee for the deferred payment shall be six per cent a year of the outstanding share of property compensation certificates and euros by making payment in euros.

(9) If the person cannot or does not exercise his or her right of first refusal to the built-up plot of land, he or she has the land lease right to the same plot of land to which he or she has the right of first refusal, and this plot of land shall not be alienated for other persons. The Cabinet shall lay down the procedures for calculating the lease payment for the built-up plot of land. The lease payment for the plot of land shall be based on the cadastral value of the plot of land.

(10) The authority carrying out alienation shall take the decision to terminate the alienation of a built-up plot of land using property compensation certificates as means of payment and the decision on the fact that further alienation thereof may take place in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person in the following cases:

1) the person who has the right of first refusal has failed to provide a reply within two months after receipt of the notice of alienation or has provided a reply that he or she does not wish, under the offered conditions, to acquire in his or her ownership the relevant State or local government plot of land on which buildings (structures) owned by this person are;

2) the person who has the right of first refusal has failed to conclude the purchase contract within two months from the day when he or she has received an invitation to conclude the purchase contract or during extension of the time period for concluding the purchase contract;

3) the authority carrying out alienation has repeatedly received back a registered letter in which the notice of alienation or the invitation to conclude the purchase contract was sent to the person who has the right of first refusal to his or her indicated and declared address of place of residence.

[*21 June 2007; 7 February 2008; 16 June 2009; 5 May 2011; 19 September 2013; 29 January 2015; 6 June 2019*]

**Section 21. Investment of a Built-up Plot of Land in the Equity Capital of a Capital Company During the Alienation Process**

(1) A built-up plot of land may only be invested in the equity capital of a capital company that owns the buildings (structures) which are on this plot of land.

(2) The Cabinet shall take the decision to invest a built-up plot of land of the State in the equity capital of a capital company.

(3) A local government council shall take the decision to invest a built-up plot of land of the relevant local government in the equity capital of a capital company.

**Section 22. Action Involving Vacant Plots of Land**

(1) Vacant plots of land owned by the State or a local government may be alienated in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person or leased. Vacant plots of land owned by the State or a local government may be leased with the right of superficies in compliance with the provisions of this Section.

(2) The decision to lease a vacant plot of land owned by the State or a local government with the right of superficies shall be taken by the Cabinet or a local government council respectively. If the vacant plot of land owned by the State or a local government is leased with the right of superficies, the lessee of the plot of land becomes entitled to request transfer of the relevant built-up plot of land for alienation, provided that all buildings (structures) envisaged in a lease contract have been built on this plot of land and put into operation and ownership rights thereto have been corroborated in the Land Register.

(3) A local government may only lease a vacant plot of land with the right of superficies in the case the ownership rights of the local government to the relevant plot of land have been corroborated in the Land Register.

(4) [21 June 2007]

[*21 June 2007; 5 May 2011*]

**Chapter IV**

**Procedures and Registers for Redemption (Purchase) of Land in Rural Areas and Cities, and Action Involving the Land not Redeemed**

[*21 June 2007*]

**Section 23. Procedures and Register for Redemption (Purchase) of Land in Rural Areas**

(1) Permanent users of the land in rural areas shall submit to the territorial unit of the State Land Service requests for redemption (purchase) of land until the date of completion.

(2) Until 30 November 2007, a request for redemption (purchase) of land shall be submitted to the territorial unit of the State Land Service by the following person:

1) to whom land was granted for permanent use but the right of permanent use of the land expired on 1 September 2006 in accordance with Section 25, Paragraph one, Clause 1 of this Law, it is in actual use by this person, has not been recorded in the Land Register in the name of a local government and a land lease contract has been concluded with the local government until the submission of the request for redemption (purchase) of the land;

2) in respect of whom the decision to grant the land for permanent use has been taken in the case referred to in Section 2, Paragraph two of the law On the Completion of Land Reform in Rural Areas during a period after 1 June 2006 to 1 September 2007, and the person’s right of permanent use of the land has not expired in the case referred to in Clause 1 of this Paragraph;

3) whose area of the land granted to him or her for permanent use exceeds the area of the land to which the ownership rights are to be reinstated and it exceeds the permissible non-binding limits.

(3) The territorial unit of the State Land Service shall include the plot of land, which has been indicated in the request for redemption (purchase) of land, in the Register for Redemption of Land in Rural Areas if the permanent user of the land or the persons referred to in Paragraph two, Clause 1 of this Law (hereinafter in this Chapter – the person) have the right to redeem (purchase) the land. If at the moment of examination of the request for redemption (purchase) of land the person does not have the right to redeem (purchase) the land but this right can arise during the period until taking of the decision to grant the land into ownership for consideration (Section 23.1), the plot of land shall be included in the Register for Redemption of Land in Rural Areas on condition that before or concurrently with the submission regarding taking of the decision to grant the land into ownership for consideration but not later than by the time period specified in Paragraph eleven of this Section a person shall submit to the territorial unit of the State Land Service the documents which confirm the right to redeem (purchase) the land.

(4) Information to be entered in the Register for Redemption of Land in Rural Areas shall be publicly available, except for the information which shall not be disclosed to a third person in accordance with the Personal Data Protection Law.

(5) The Cabinet shall lay down the procedures for submitting and examining requests for redemption (purchase) of land in rural areas, the procedures for including a plot of land to be redeemed in the Register for Redemption of Land in Rural Areas, the information to be entered in the Register, and the procedures for maintaining the Register.

(6) In addition to the person’s request for redemption (purchase) of land, the State Land Service shall include the following in the Register for Redemption of Land in Rural Areas:

1) the plot of land the boundary plan of which has been submitted for registration in the State Immovable Property Cadastre Information System until 31 August 2006;

2) [6 June 2019].

(7) If a plot of land has been granted for permanent use to several joint users, the request for redemption (purchase) of land shall be submitted by one of them in the name of all joint users. If at the moment of examination of the matter regarding inclusion of the plot of land in the Register for Redemption of Land in Rural Areas one or more joint users do not have the right to redeem (purchase) the land but this right can arise during the period until taking of the decision to grant the land into ownership for consideration (Section 23.1), the decision on inclusion of the plot of land in the Register for Redemption of Land in Rural Areas and the right of this joint user to redeem the undivided share of the plot of land shall be taken on condition that before or concurrently with the submission regarding taking of the decision to grant the land into ownership for consideration but not later than by the time period specified in Paragraph eleven of this Section the documents which confirm the right to redeem (purchase) the land shall be submitted to the territorial unit of the State Land Service.

(8) In respect of a person whose plot of land in permanent or actual use has been included in the Register for Redemption of Land in Rural Areas but restrictions have been imposed on purchase thereof by this person in Section 29, Paragraph two, Clause 5 of the law On Land Privatisation in Rural Areas, and buildings (structures) owned by this person are on the plot of land, a local government shall take the decision to create a separate plot of land in the area which is necessary for the maintenance of the buildings (structures) in accordance with the building surface provided for in the binding regulations of the local government. An appropriate purpose of use shall be determined for the created plot of land and the decision to create a separate plot of land shall be accompanied by a graphical annex of this plot of land indicating the cadastral designation of the plot of land to be divided.

(9) A person whose plot of land in permanent or actual use has been included in the Register for Redemption of Land in Rural Areas but has not been subject to cadastral surveying shall, not later than by 1 September 2008, submit for registration a boundary plan of the land to the State Immovable Property Cadastre Information System or make a prepayment in accordance with Section 32, Paragraph two of this Law. If the relevant person has made the prepayment by the respective date, the boundary plan of the land shall be submitted for registration to the State Immovable Property Cadastre Information System not later than by 31 August 2010. The respective time period shall not apply to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land, and to the persons whose request for redemption (purchase) of land indicates the plot of land that has been included in the Register for Redemption of Land in Rural Areas on the condition referred to in Paragraph three of this Section. The relevant person shall submit the boundary plan of the plot of land for registration in the State Immovable Property Cadastre Information System before submitting the submission for taking the decision to grant the land into ownership for consideration.

(10) *Valsts akciju sabiedrība “Latvijas Hipotēku un zemes banka”* [State joint-stock company Latvian Mortgage and Land Bank] shall, by 30 September 2008, submit to the State Land Service the information regarding the prepayments made.

(11) A person shall submit to the regional unit of the State Land Service the submission for taking the decision to grant the land into ownership for consideration within the following deadlines:

1) before 31 May 2010 in case the boundary plan of the plot of land in actual use has been submitted for registration in the State Immovable Property Cadastre Information System before 31 August 2009;

2) [5 May 2011];

3) before 31 August 2010 if the plot of land indicated in the request for redemption (purchase) of land has been included in the Register for Redemption of Land in Rural Areas on the condition referred to in Paragraph three of this Section;

4) before 31 August 2011 if the person has made a prepayment for the land in his or her actual use within the time period specified in the law and the boundary plan of the plot of land has been submitted for registration in the State Immovable Property Cadastre Information System before 31 August 2010 (Paragraph nine of this Section).

(111) The deadlines referred to in Paragraph eleven of this Section shall not apply to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land, and also to the cases where the plot of land has several joint users and one of them has submitted the submission for taking the decision to grant the land into ownership for consideration until 31 August 2009. The territorial unit of the State Land Service shall take the decision to grant the land into ownership for consideration within two months after submission of the person has been received.

(112) The Cabinet shall appoint an authority which, starting from 1 March 2014, concludes contracts for redemption (purchase) of the land in rural areas in the name of the State and controls the fulfilment of such contracts.

(12) A person shall conclude the contract for the redemption (purchase) of land with the State joint-stock company Latvian Mortgage and Land Bank not later than by 30 December2011 also in the case where the decision under which the land has been granted into ownership for consideration indicates another deadline for concluding such contract. The respective deadline shall not apply to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land. In this case, starting from 1 March 2014, the authority which ensures redemption (purchase) process of land and has been appointed by the Cabinet shall conclude the contract for the redemption (purchase) of land with the former land owners or their heirs. In case of joint use of the land, all joint users shall conclude one contract for the redemption (purchase) of land at the same time.

(13) The State joint-stock company Latvian Mortgage and Land Bank shall, before 31 March 2012, submit to the State Land Service the information regarding the concluded contracts for redemption (purchase) of land.

(14) The land which has been recorded in the Land Register in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank and in respect of which no contract for the redemption (purchase) of land has been concluded until 30 December 2011 shall be transferred into the ownership of the relevant local government without consideration by the deed of delivery and acceptance. Starting from 1 March 2014, the relevant deed of delivery and acceptance shall be signed by the authority which has been appointed by the Cabinet in accordance with Paragraph 11.2 of this Section.

[*21 June 2007; 16 June 2009; 24 September 2009; 17 June 2010; 5 May 2011; 16 January 2014; 6 June 2019*]

**Section 23.1 Decision to Transfer Land into Ownership for Consideration in Rural Areas**

(1) The territorial unit of the State Land Service shall take the decision to transfer land into ownership for consideration after the plot of land has been included in the Register for Redemption of Land in Rural Areas and after cadastral survey of the land on the basis of a submission which has been submitted by a person by the deadline specified in Section 23, Paragraph eleven of this Law. The person referred to in Section 23, Paragraph two, Clause 1 of this Law shall annex to his or her submission a statement from a local government that the person does not have any debts of the lease payment and immovable property tax in respect of the plot of land to be redeemed (purchased).

(11) The territorial unit of the State Land Service shall, on the basis of the person’s submission and after performance of cadastral survey works, take the decision to transfer land into ownership for consideration to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land.

(2) The decision to transfer land into ownership for consideration shall additionally indicate the payment for a forest stand, if any.

(3) If a plot of land has several joint users, the decision to transfer land into ownership for consideration shall be taken if all joint users of the land have expressed their will to the action involving the undivided share determined for each of them, namely a submission has been received for taking of the decision to transfer land into ownership for consideration or refusal to redeem (purchase) the undivided share determined for him or her. If the joint user has failed to submit the submission for taking the decision to transfer land into ownership for consideration or refusal to redeem (purchase) the undivided share determined for him or her by the deadlines specified in Section 23, Paragraph eleven, it shall be deemed that this joint user has refused to redeem (purchase) the undivided share of the plot of land. The respective deadline shall not apply to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land.

(31) The joint user is not entitled to submit the submission for taking the decision to transfer land into ownership for consideration if the joint user has not expressed his or her will to the action involving the undivided share determined for him or her before 31 August 2010 and the decision has already been taken to transfer land into ownership for consideration to another joint user (Paragraph three of this Section).

(4) If any of the joint users refuses to redeem (purchase) the undivided share determined for him or her and also in case a local government has taken the decision to terminate the right to use the land in respect of any of the joint users in accordance with the law On Land Use and Land Survey, other joint users have the right of first refusal to redeem (purchase) this plot of land in equal parts, unless a written agreement has been reached on another division of undivided shares or actual division of the plot of land.

(5) If as a result of division of the plot of land any of the plots of land created is smaller than the minimum area of a plot of land intended for the appropriate purpose of use of immovable property determined in the binding regulations of a local government or its configuration does not allow to use the relevant plot of land according to the approved territorial spatial plan, or it is impossible to ensure access to a road or street from this plot of land, the plot of land shall not be divided and it shall be redeemed in the entire area granted to the person for permanent use.

[*21 June 2007; 16 June 2009; 24 September 2009; 5 May 2011; 6 June 2019*]

**Section 24. Procedures and Register for Redemption (Purchase) of Land in Cities**

(1) A local government shall establish the Register for Redemption of Land in Cities before the date of completion in which it includes all opinions of the commission of the land in cities on the right to acquire land into ownership for consideration. The Register for Redemption of Land in Cities shall not register opinions of the land commission on the land which has already been acquired into ownership for consideration. Owners of a residential building or users of orchards to whom land has been granted for establishing orchards with the right of superficies (on the basis of an opinion of the commission of the land in cities on the right to acquire land into ownership for consideration) that have been registered in the Register for Redemption of Land in Cities shall, before 1 September 2008, submit to the territorial unit of the State Land Service for registration in the State Immovable Property Cadastre Information System the boundary plan of land or, in accordance with the procedures laid down by the Cabinet, a confirmation regarding making of the prepayment in the form of privatisation certificates before concluding the contract for the redemption (purchase) of land (Section 32).

(11) Until 30 November 2007, the Register for Redemption of Land in Cities shall also include opinions of the commission of the land in cities on an application of a natural person for the purchase of a plot of land. Opinions of the land commission on land in respect of which the contract for the purchase of land has been concluded with the State joint-stock company Latvian Mortgage and Land Bank shall not be registered in the Register for Redemption of Land in Cities. Owners of a residential building or users of orchards to whom land has been granted for establishing orchards with the right of superficies (on the basis of an opinion of the commission of the land in cities on an application of a natural person for the purchase of a plot of land) that have been registered in the Register for Redemption of Land in Cities shall, before 1 September 2008, submit to the territorial unit of the State Land Service the boundary plan registered in the State Immovable Property Cadastre Information System or, in accordance with the procedures laid down by the Cabinet, a confirmation regarding making of the prepayment in the form of privatisation certificates before concluding the contract for the redemption (purchase) of land (Section 32).

(12) The Register for Redemption of Land in Cities shall also include a fraction of the equivalent reinstated or granted area of plot of land of the former land owners or their heirs which exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the permissible non-binding limits as a result of cadastral survey of the land.

(2) Information to be entered in the Register for Redemption of Land in Cities shall be publicly available, except for the information which shall not be disclosed to a third person in accordance with the Personal Data Protection Law.

(3) The Cabinet shall lay down the information to be entered in the Register for Redemption of Land in Cities and the procedures for keeping the Register.

(4) The State joint-stock company Latvian Mortgage and Land Bank shall, before 31 March 2012, submit to the relevant local government the information regarding the concluded contracts for redemption (purchase) of land.

(41) The Cabinet shall appoint an authority which, starting from 1 March 2014, concludes contracts for redemption (purchase) of the land in cities in the name of the State and controls the fulfilment of such contracts.

(5) The State land which has been recorded in the Land Register in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank and in respect of which no contract for the redemption (purchase) of land has been concluded before 30 December 2011 shall be transferred into the ownership of the relevant local government without consideration by the deed of delivery and acceptance. Starting from 1 March 2014, the relevant deed of delivery and acceptance shall be signed by the authority which has been appointed by the Cabinet in accordance with Paragraph 4.1 of this Section.

[*21 June 2007; 16 June 2009; 17 June 2010; 5 May 2011; 16 January 2014*]

**Section 25. Action Involving the Land in Rural Areas not Redeemed**

(1) The right of permanent use of land held by legal and natural persons to whom land has been granted for permanent use shall expire if:

1) a person has failed to submit a request for redemption (purchase) of land or it has not been included in the Register for Redemption of Land in Rural Areas before the date of completion or – in the cases referred to in Section 23, Paragraph two of this Law – before 30 November 2007;

2) a boundary plan of land or a confirmation regarding making of the prepayment in privatisation certificates before concluding the contract for the redemption (purchase) of land (Section 32) has not been submitted to the territorial unit of the State Land Service for registration in the State Immovable Property Cadastre Information System before 1 September 2008;

3) a submission and the relevant documents for taking the decision to transfer land into ownership for consideration have not been submitted to the territorial unit of the State Land Service within the deadlines specified in Section 23, Paragraph eleven or a refusal to redeem (purchase) land has been received;

4) the contract for the redemption (purchase) of land has not been concluded with the State joint-stock company Latvian Mortgage and Land Bank before 30 December 2011, also in case where the prepayment has been made before cadastral survey of the land and conclusion of the contract for the redemption (purchase) of land.

(11) The deadlines referred to in Paragraph one, Clauses 2, 3, and 4 of this Section shall not apply to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land. In this case, starting from 1 March 2014, the authority appointed by the Cabinet in accordance with Paragraph 11.2 of Section 23 shall conclude the contract for the redemption (purchase) of land with the former land owners or their heirs.

(2) A person whose right of permanent use of land expires in the cases referred to in Paragraph one of this Section or whose right of permanent use of land has expired in accordance with the law On the Completion of Land Reform in Rural Areas shall acquire the priority rights of land lease to the former land in his or her use. A land lease contract shall be concluded for a period of not less than 10 years, unless the lessee of the land wishes to conclude the land lease contract for a shorter period of time. If the lessee of the land wishes, the land lease contract shall be extended. The lessee of the land has the right to record the land lease contract in the Land Register.

(21) A person shall exercise the priority rights of land lease within one year from expiry of the right of permanent use of land. If the person fails to exercise the priority rights of land lease within the respective period, a local government shall take the decision to use the respective land to complete the land reform or to include it in the reserve land fund. If the local government takes a decision before 30 December 2009, then the land shall be used to complete the land reform, but if a decision is taken after 30 December 2009, then the land shall be included in the reserve land fund. Taking of the respective decisions shall not apply to the land which has been recorded in the Land Register in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank. A separate law shall govern the use of the reserve land fund.

(22) A person whose right of permanent use of land has expired in accordance with the law On the Completion of Land Reform in Rural Areas shall, before 30 December 2012, exercise the priority rights of land lease which have been recorded in the Land Register in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank. Prior to concluding a lease contract, a local government shall corroborate a plot of land in the Land Register in the name of the local government.

(3) If a person fails to conclude a land lease contract for the entire former plot of land in his or her permanent use or part thereof, this land shall be further used to complete the land reform in accordance with a decision of a local government, except for the following:

1) the case where the former land owner or his or her heir, who has not received compensation for this land or equivalent land in another place and who has confirmed in writing, before the date of completion, his wish to reinstitute the ownership rights to the relevant land, had applied for this land within the time period specified in the law;

2) the case referred to in Paragraph four of this Law;

3) the case where as a result of division of the plot of land any of the plots of land created is smaller than the minimum area of a plot of land intended for the appropriate purpose of use of immovable property determined in the binding regulations of a local government or its configuration does not allow to use the relevant plot of land according to the approved spatial plan, or it is impossible to ensure access to a road or street from this plot of land. In this case, the land lease contract shall be concluded for the entire former land in permanent use of the person.

(4) A land lease contract shall be concluded for land which is necessary for a land user to maintain buildings (structures) owned by him or her, including the land which has been recorded in the Land Register in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank, and the owner of buildings (structures) may alienate it in the future in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person, but it may not be alienated or leased to another person.

(41) If the person’s right of permanent use of land has expired in accordance with this Law and he or she does not exercise the priority rights of land lease but buildings (structures) owned by this person are located on the plot of land, a local government shall take the decision to create a separate plot of land in the area which is necessary for the maintenance of the buildings (structures) in accordance with the building surface provided for in the binding regulations of the local government, except for the land which has been recorded in the Land Register in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank. An appropriate purpose of use shall be determined for the created plot of land and the decision to create a separate plot of land shall be accompanied by a graphical annex of the plot of land indicating the cadastral designation of the plot of land to be divided. A land lease contract shall be concluded for the created plot of land and the owner of buildings (structures) may alienate it in the future in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person, but it may not be alienated or leased to another person.

(5) The lease payment for land shall be paid from the day when the land user has acquired the priority rights of land lease.

(6) The land user shall pay the lease payment for the entire land granted for use, unless he or she has, before the day the right of permanent use of land expires:

1) concluded a land lease contract for the right of lease to the part of the former land in his or her use;

2) waived the right to use the land in writing.

(7) The Cabinet shall approve the standard contract for the lease of the land in rural areas and lay down the procedures for concluding a land lease contract, the substantive provisions of the contract, and the procedures for calculating the lease payment on the basis of the cadastral value of the land in rural areas.

(8) If the former land owner or his or her heir does not redeem, in accordance with Section 23, Paragraph two, Clause 3 of this Law, the area of the land granted for permanent use which exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the permissible non-binding limits, a local government shall take the decision to create a separate plot of land the area of which is not smaller than the minimum area of a plot of land intended for the appropriate purpose of use of immovable property determined in the binding regulations of a local government or the configuration of which allows to use the relevant plot of land according to the approved spatial plan, or from which it is possible to ensure access to a road or street. An appropriate purpose of use shall be determined for the created plot of land and the decision to create a separate plot of land shall be accompanied by a graphical annex of this plot of land indicating the cadastral designation of the plot of land to be divided.

[*21 June 2007; 7 February 2008; 16 June 2009; 24 September 2009; 17 June 2010; 5 May 2011; 16 January 2014*]

**Section 26. Action Involving the Land in Cities not Redeemed**

(1) The right to use the land held by the owners of a residential building or users of orchards to whom land has been granted with the right of superficies shall expire if:

1) a boundary plan of land or a confirmation regarding making of the prepayment in privatisation certificates before concluding the contract for the redemption (purchase) of land (Section 32, Paragraph two) has not been submitted to the territorial unit of the State Land Service for registration in the State Immovable Property Cadastre Information System before 1 September 2008;

2) a registered boundary plan of land accompanied by the submission for taking the decision to transfer land into ownership for consideration or the submission for taking the decision on boundaries, area of the plot of land and payment for it has not been submitted to the commission of the land in cities before 31 August 2009;

21) the submission for taking the decision to transfer land into ownership for consideration accompanied by a registered boundary plan of land has not been submitted to the commission of the land in cities before 31 August 2011 but a confirmation has been submitted within the deadline specified in the law regarding making of the prepayment in the form of privatisation certificates before concluding the contract for the redemption (purchase) of land and the boundary plan of land has been registered in the State Immovable Property Cadastre Information System before 31 August 2009;

3) the contract for the redemption (purchase) of land has not been concluded with the State joint-stock company Latvian Mortgage and Land Bank before 30 December 2011, also in case where the prepayment has been made before cadastral survey of the land and conclusion of the contract for the redemption (purchase) of land.

(11) The deadlines referred to in Paragraph one of this Section shall not apply to the former land owners or their heirs whose total area of the plot of land determined as a result of cadastral survey of the land exceeds the area of the land to which the ownership rights are to be reinstated, and it exceeds the non-bounding limits permissible in the cadastral survey of the land. In this case, starting from 1 March 2014, the authority appointed by the Cabinet in accordance with Section 24, Paragraph 4.1 shall conclude the contract for the redemption (purchase) of land with the former land owners or their heirs.

(2) A person whose right to use land expires in the cases referred to in Paragraph one of this Section shall acquire the right of land lease to the former land in his or her use. A land lease contract shall be concluded for this land with a local government and the owner of a residential building or user of an orchard to whom land has been granted with the right of superficies may alienate this land in the future in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person, but it may not be alienated or leased to another person. A land lease contract shall be concluded for a period of not less than 10 years, unless the lessee of the land wishes to conclude the land lease contract for a shorter period of time. A person may not refuse to conclude the land lease contract. The lessee of the land has the right to record the land lease contract in the Land Register.

(21) Land which has been recorded in the name of the State by the State joint-stock company Latvian Mortgage and Land Bank shall be corroborated in the Land Register in the name of the local government before concluding a lease contract.

(3) The lease payment for land shall be paid from the day when the land user has acquired the right of land lease.

(4) The Cabinet shall approve the standard contract for the lease of the land in cities and lay down the procedures for concluding a land lease contract, the substantive provisions of the contract, and the procedures for calculating the lease payment on the basis of the cadastral value of a plot of land.

[*21 June 2007; 7 February 2008; 16 June 2009; 17 June 2010; 5 May 2011; 16 January 2014*]

**Section 26.1 Equivalent Land Compensation Fund in Cities**

(1) In order to transfer equivalent land into the ownership of the former land owners or their heirs in the cases specified in Section 12 of the law On Land Reform in the Cities of the Republic of Latvia and in accordance with Section 6, Paragraph one of the law On Land Ownership Rights of the State and Local Governments and Corroboration Thereof in the Land Registers, a local government council shall establish an equivalent land compensation fund.

(2) The former land owners or their heirs shall be granted equivalent land instead of their former property in the territory of the same city and the current cadastral value of this land shall compensate for the property value of the former land as at 21 July 1940.

(21) A person whose ownership rights cannot be reinstated in accordance with Section 12, Paragraph one, Clause 3 of the law On Land Reform in the Cities of the Republic of Latvia or who has chosen to receive equivalent land in accordance with Section 12, Paragraph three, Sub-clause 2 of the respective law, and whose former land had such low property value as at 21 July 1940 that it does not compensate for the cadastral value of the plot of land included in the equivalent land compensation fund, is entitled to acquire in his or her ownership one plot of land from the plots of land included in the land compensation fund with the closest possible cadastral value the area of which is not smaller than the minimum area of the plot of land determined in the territorial local government spatial plan. The former land owners or their heirs shall cover the difference between the cadastral value of the land granted and the property value of the former land by using privatisation certificates or euros as means of payment. The relevant person shall chose the mean of payment.

(3) The Cabinet shall lay down the procedures for establishing the equivalent land compensation fund and also the procedures for calculating the property value of the former land as at 21 July 1940, and the procedures for granting equivalent land to the former land owners or their heirs.

[*21 June 2007; 7 February 2008; 29 January 2009; 17 June 2010; 19 September 2013; 6 July 2021*]

**Chapter V**

**Procedures for Terminating Granting and Settlement of Privatisation Certificates**

**Section 27. Termination of the Granting of Privatisation Certificates**

(1) A person may submit applications for granting privatisation certificates in accordance with the law On Privatisation Certificates and also the relevant documents confirming the ownership and inheritance rights to the relevant State or local government institutions before 28 April 2006 but persons who have obtained the status of a politically repressed person after this date – before 28 December 2007.

(2) The deadline referred to in Paragraph one of this Section shall not apply to the granting of privatisation certificates for the period lived in Latvia and the activities in respect of which the deadlines have lapsed in accordance with other laws before 28 April 2006.

(3) State or local government authorities shall examine all applications for granting privatisation certificates in accordance with the law On Privatisation Certificates and take the relevant decisions within two months.

(4) In accordance with Section 9.1 of the law On Renewal of Property Rights to Undertakings and Other Property Objects, a person may lodge a claim with a court regarding granting of compensation before 28 February 2006, unless the prescriptive period for the claim determined in the Civil Law has set in.

(5) The granted privatisation certificates shall be credited to a privatisation certificate account in accordance with the procedures laid down in the law On Privatisation Certificates if the recipient of certificates has submitted the documents necessary for opening the account or crediting the additionally granted privatisation certificates to the person to whom the Cabinet has delegated, in accordance with Section 3.1 of the law On Privatisation Certificates, a State administration task to service the privatisation certificate account (hereinafter – the holder of privatisation certificate accounts) within four months after the relevant local government documents and the information approved by the person to whom the Cabinet has delegated, in accordance with Section 3.1 of the law On Privatisation Certificates, a State administration task to administer the handling of privatisation certificates have been submitted to the holder of privatisation certificate accounts.

(6) A person shall lose the right to deposit the privatisation certificates granted thereto to the privatisation certificate account, unless the conditions referred to in Paragraph five of this Section have been met.

(7) Any disputes arising in relation to Paragraph five of this Section shall be examined by the Ministry of Economics. A decision by the Ministry of Economics may be appealed to the court.

[*21 June 2007; 16 January 2014*]

**Section 28. Settlement of Privatisation Certificates upon Receipt of Payment in Cash**

(1) The right to settle privatisation certificates in the cases specified in laws upon receipt of their value in cash shall lapse if a person:

1) has acquired the right to settle privatisation certificates before 30 September 2005 but has failed, before 29 September 2006, to perform the activities involving privatisation certificates provided for in Cabinet regulations and to notify a bank account to which cash is to be credited;

2) has acquired the right to settle privatisation certificates after 30 September 2005 or after 31 August 2007 but afterwards, within 12 months, has failed to approach the holder of privatisation certificate accounts and to perform the activities provided for the settlement of privatisation certificates in accordance with Cabinet regulations.

(2) The right of the persons determined in the law On Renewal of the Disbursement of Compensations to Persons Deported in an Administratively Unjustified Manner and Settlement of the Property Compensation Certificates Granted to Such Persons and of the politically repressed persons referred to in Section 12 of the law On Land Privatisation in Rural Areas to settle privatisation certificates upon receipt of their value in cash shall lapse if the person:

1) has acquired the right to settle privatisation certificates before 31 August 2007 but has failed, before 31 August 2008, to approach a credit institution with which his or her privatisation certificate account has been opened and to perform the activities for the settlement of privatisation certificates provided for in Cabinet regulations;

2) has acquired the right to settle privatisation certificates after 30 September 2005 or after 31 August 2007 but afterwards, within 12 months, has failed to approach the holder of privatisation certificate accounts and to perform the activities provided for the settlement of privatisation certificates in accordance with Cabinet regulations.

[*21 June 2007; 16 January 2014*]

**Section 29. Termination of Crediting Privatisation Certificates Back**

After taking the decision to terminate privatisation of State or local government property, the authority carrying out privatisation is not entitled to perform any activities as a result of which privatisation certificates would be credited back to the acquirer of the State or local government property. In the case of alienation, property compensation certificates shall not be credited back after fulfilment of the obligations under the purchase contract.

**Chapter VI**

**Conditions for the Use of Privatisation Certificates**

**Section 30. Part to be Paid in Property Compensation Certificates for a Plot of Land to be Privatised**

(1) In privatising a separate built-up plot of land owned by or under jurisdiction of the State or a local government or land included in the composition of immovable property in respect of which a proposal for privatisation has been submitted to and registered, in accordance with the prescribed procedures, in the authority carrying out privatisation before 31 December 2003, the part to be paid in property compensation certificates shall not be smaller than 80 per cent but in respect of a plot of land which is located in the territories requiring special assistance – not smaller than 90 per cent of the sale price of the plot of land.

(2) In privatising a separate built-up plot of land owned by or under jurisdiction of the State or a local government in respect of which a proposal for privatisation has been submitted to and registered, in accordance with the prescribed procedures, in the authority carrying out privatisation from 1 January 2004 to the date of completion, the part to be paid in property compensation certificates shall constitute the following percentage of the sale price of the plot of land:

1) 40 per cent in Rīga and Jūrmala;

2) 50 per cent in Daugavpils, Liepāja, Jelgava, Rēzekne, Ventspils, Baldone, Baloži, Olaine, Salaspils, Saulkrasti, Sigulda, and Vangaži;

3) 80 per cent in other cities and rural areas.

(3) A purchaser of a plot of land is entitled to pay in euros the part which is to be paid in property compensation certificates but in the cases referred to in Section 31, Paragraphs seven and eight of the law On Land Reform in the Cities of the Republic of Latvia and Section 63, Paragraph six of the law On Privatisation of State and Local Government Property Objects – to pay in property compensation certificates the part which is to be paid in euros.

[*29 January 2009; 19 September 2013*]

**Section 31. Part to be Paid in Property Compensation Certificates for a Plot of Land to be Alienated**

(1) In alienating a built-up plot of land owned by or under jurisdiction of the State or a local government or land included in the composition of immovable property in respect of which a proposal for alienation has been submitted to and registered, in accordance with the prescribed procedures, in the authority carrying out alienation before 31 December 2003, the part to be paid in property compensation certificates shall be 80 per cent of the sale price of the plot of land.

(2) In alienating a built-up plot of land owned by or under jurisdiction of the State or a local government in respect of which a proposal for alienation has been submitted to and registered, in accordance with the prescribed procedures, in the authority carrying out alienation from 1 January 2004 to the date of completion, the part to be paid in property compensation certificates shall constitute the following percentage of the sale price of the plot of land:

1) 40 per cent in Rīga and Jūrmala;

2) 50 per cent in Daugavpils, Liepāja, Jelgava, Rēzekne, Ventspils, Baldone, Baloži, Olaine, Salaspils, Saulkrasti, Sigulda, and Vangaži;

3) 80 per cent in other cities and rural areas.

(3) A purchaser of a plot of land is entitled to pay in euros the part which is to be paid in property compensation certificates but in the cases referred to in Section 31, Paragraphs seven and eight of the law On Land Reform in the Cities of the Republic of Latvia – to pay in property compensation certificates the part which is to be paid in euros.

[*29 January 2009; 19 September 2013*]

**Section 32. Settlement of Payments for Land to be Redeemed (Purchased)**

(1) A person who has the right in accordance with this Law, the law On Land Privatisation in Rural Areas, the law On the Completion of Land Reform in Rural Areas, the law On Land Reform in the Cities of the Republic of Latvia, and the law On Completion of Land Reform in Cities is entitled to use privatisation certificates as means of payment in the cases, in the amount, and in accordance with the procedures laid down in the land reform laws by complying with the provisions of this Law.

(2) The person referred to in Paragraph one of this Section shall, after inclusion of a plot of land in the Register for Redemption of Land in Rural Areas or the Register for Redemption of Land in Cities, is entitled to make a prepayment in privatisation certificates for the entire land to be redeemed (purchased) according to the cadastral value of the land (hereinafter – the prepayment) before cadastral survey of the land and concluding of the contract for the redemption (purchase) of land. The prepayment shall not include the value of a forest stand.

(3) If on the day of taking the decision to transfer land into ownership for consideration the cadastral value of the plot of land for which the prepayment was made has changed in accordance with the procedures laid down in the laws and regulations governing cadastral survey of land, the amount of the payment shall be determined in the decision to transfer land into ownership for consideration at the cadastral value of land which formed the basis for the calculation of the prepayment.

(4) If a person has made the prepayment but has failed to, within the time period specified in this Law, conclude a contract with the State joint-stock company Latvian Mortgage and Land Bank or the authority referred to in Section 23, Paragraph 11.2 or Section 24, Paragraph 4.1 of this Law, the credited privatisation certificates shall be settled in accordance with the Cabinet regulations issued on the basis of the law On Privatisation Certificates.

(5) Upon written request of the person who has the right of redemption (purchase), the relevant local government council in respect of the land in cities or the State Land Service in respect of the land in rural areas shall issue a certified statement indicating the following:

1) the information regarding the plot of land to which the person has the right of redemption (purchase);

2) the cadastral value of the plot of land;

3) the account number to which privatisation certificates are to be credited.

(6) In making the prepayment, the transfer order of privatisation certificates shall indicate that this is a prepayment.

(7) The Cabinet shall lay down the procedures for prepayment and the procedures by which the State joint-stock company Latvian Mortgage and Land Bank notifies of the prepayments made.

(8) The Cabinet shall lay down the procedures for concluding the contract for the redemption (purchase) of land, the substantive provisions of the contract, the procedures for covering expenses associated with concluding the contract, and the amount of the expenses, and also approve the standard contract for the redemption (purchase) of land.

(9) The contract for the redemption (purchase) of land shall provide for the deferred payment upon request of a person. A fee for the deferred payment shall be six per cent a year of the outstanding share of privatisation certificates and euros by making interest charge in euros, and the time period for the settlement of payments shall be five years. In concluding the contract for the redemption (purchase) of land, the first instalment for the payment for the land to be redeemed (purchased) shall be determined as [zero per cent of the redemption (purchase) price of the land].

[*21 June 2007; 29 January 2009; 24 September 2009; 19 September 2013; 16 January 2014; 6 June 2019; 6 July 2021*]

**Section 33. Opening of a Privatisation Certificate Account**

If the proposal for the privatisation of a built-up plot of land has been registered in the Privatisation Register or a proposal for alienation – in the Alienation Register, or the request for redemption of the land granted for permanent use – in the Register for Redemption of Land in Rural Areas, or an opinion of the commission of the land in cities on the right to acquire land into ownership for consideration – in the Register for Redemption of Land in Cities, a purchaser of land to whom privatisation certificates have not been granted has the right to open a privatisation certificate account in accordance with the Cabinet regulations issued on the basis of the law On Privatisation Certificates.

[*21 June 2007*]

**Section 34. Privatisation Certificates as Means of Payment Instead of Property Compensation Certificates**

(1) In order to promote the use of privatisation certificates as means of payment in the privatisation, alienation of the State or local government property, and implementation of the land reform, a person has the right to use privatisation certificates in the cases and in accordance with the procedures laid down in this Section in order to make the payments to be made in property compensation certificates in accordance with the laws and regulations and the concluded purchase contracts.

(2) If on the first day of each month the number of property compensation certificates not used has been smaller for more than three consecutive months than three per cent of the total number of the granted property compensation certificates, the Cabinet shall, within a month, take a decision determining that a person acquires the right to use privatisation certificates as means of payment instead of property compensation certificates starting from the first day of the following month. If the abovementioned number of the property compensation certificate not used is not reached before 1 June 2008, the Cabinet shall take a decision determining that the person acquires the right to use privatisation certificates as means of payment instead of property compensation certificates starting from 1 July 2008.

(3) The Cabinet shall, on a quarterly basis, determine the proportion in which privatisation certificates can be used as means of payment instead of property compensation certificates and the time period within which payments can be made according to this proportion. The proportion in which privatisation certificates can be used as means of payment instead of property compensation certificates shall be determined according to the ratio of average prices of property compensation certificates and privatisation certificates over the previous 12 months which has been determined according to the information provided by licensed intermediate companies regarding the sale of privatisation certificates, including property compensation certificates, except for the sale to another intermediate company. The 12-month period referred to in this Paragraph shall end one month before the date from which the Cabinet determines, in accordance with Paragraph two of this Section, the proportion in which privatisation certificates can be used as means of payment instead of property compensation certificates.

(4) In making a transaction in which privatisation certificates are used as means of payment instead of property compensation certificates, the number of property compensation certificates instead of which privatisation certificates are credited shall be indicated in a payment order.

[*21 June 2007*]

**Chapter VII**

**Action in Case of Disputes**

[*21 June 2007*]

**Section 35. Action in Case of any Disputes Regarding Matters Related to the Privatisation of State or Local Government Property Objects, Built-up or Vacant Plots of Land**

If court proceedings have been initiated regarding matters related to the transfer of State or local government property objects, built-up or vacant plots of land for privatisation, and a court ruling, under which the decision taken by the Cabinet or the authority carrying out privatisation of local government or State property respectively on the refusal of the proposal for the privatisation of a State or local government property object, a built-up or vacant plot of land has been recognised as unlawful, has entered into legal effect, the decision to transfer State or local government property objects, built-up or vacant plots of land for privatisation shall be taken within four months from the day the court ruling has entered into effect.

[*7 February 2008; 29 January 2009; 6 June 2019*]

**Section 36. Valuation of State or Local Government Property Objects or Built-up Plots of Land**

(1) [17 June 2010]

(2) If a court ruling has entered into legal effect under which after the day of coming into force of this Law the decision taken by the Cabinet or the authority carrying out privatisation of local government or State property on the refusal to transfer for privatisation a built-up plot of land (a separate built-up plot of land or a built-up plot of land together with a State or local government property object to be privatised) has been recognised as unlawful, the relevant built-up plot of land shall be privatised in the future at the value of a built-up plot of land for the purpose of privatisation at which this plot of land was valued on the day when the decision was taken on the refusal to transfer it for privatisation but if the decision on the refusal to transfer the relevant built-up plot of land for privatisation was taken after 31 August 2007 – this built-up plot of land shall be privatised in the future at the value of a built-up plot of land for the purpose of privatisation which has been determined in accordance with Section 8, Paragraph two of this Law.

(3) If a court ruling has entered into legal effect under which after the day of coming into force of this Law the decision taken by the authority carrying out alienation on the refusal to alienate a built-up plot of land of the State or a local government has been recognised as unlawful, the relevant built-up plot of land of the State or a local government shall be alienated in the future at the value of a built-up plot of land for the purpose of privatisation at which this plot of land was valued on the day when the decision was taken on the refusal to alienate it but if the decision on the refusal to alienate the relevant built-up plot of land was taken after 31 August 2007 – this built-up plot of land shall be alienated in the future at the value of a built-up plot of land for the purpose of privatisation which has been determined in accordance with Section 8, Paragraph two of this Law.

[*7 February 2008; 29 January 2009; 17 June 2010; 6 June 2019*]

**Section 37. Performance of Activities in Case of Any Disputes Regarding Matters Related to the Land Reform**

(1) If the activities provided for in this Law, the law On Land Privatisation in Rural Areas, the law On the Completion of Land Reform in Rural Areas, the law On Land Reform in the Cities of the Republic of Latvia, and the law On Completion of Land Reform in Cities cannot be performed objectively within the specified time periods, all the remaining activities shall be performed not later than within a year from the day of entry into effect of a decision of the Central Land Commission, a decision of the commission of the land in cities in a case regarding a dispute about land boundaries, a decision of the State Land Service, or a court ruling, or if a court has set aside a decision of the competent authority or recognised it as invalid – not later than within a year from the day of entry into effect of a new decision of the competent authority if a dispute or court proceedings have been initiated regarding taking of the following decision or action:

1) regarding the decision of a local government to transfer land for permanent use;

2) regarding the decision of a local government to terminate the right of permanent use of land;

3) regarding inclusion of land in the Register for Redemption of Land in Rural Areas or the Register for Redemption of Land in Cities;

4) regarding the decision in relation to the issuance of a certified statement of prepayment;

5) regarding the decision to transfer land into ownership for consideration;

6) regarding a decision taken by the State joint-stock company Latvian Mortgage and Land Bank or the authority appointed by the Cabinet that ensures redemption (purchase) process of land;

7) regarding conclusion of the contract for the redemption (purchase) of land;

8) regarding a dispute about land boundaries.

(2) If a court ruling has entered into legal effect under which the decision referred to in Paragraph one, Clauses 1, 2, and 3 of this Section has been recognised as unlawful, land shall be redeemed (purchased) at the cadastral value of plot of land as at the day when the decision, which has been recognised as unlawful, was taken.

[*16 June 2009; 16 January 2014*]

**Section 38. Time Periods for the Examination of Disputes**

Disputes which are related to the privatisation of State or local government property objects, built-up or vacant plot of lands, the granting and use of privatisation certificates, and the issues of land reform in cities and rural areas shall be examined by a court not later than within nine months from the day an application is received.

**Transitional Provisions**

1. The provisions of Section 8 of this Law regarding the procedures for determining the price and the provision of Section 13, Paragraph two regarding the application of interest in the case of the deferred payment (hire) shall not be applicable provided that one of the following conditions is present:

1) provisions of privatisation of a State property object has been sent to the person who has the right of first refusal before the day of coming into force of this Law and this person submits, within the time period specified in the provisions of privatisation, to the authority carrying out privatisation of State properties a confirmation that he or she agrees to privatise the State property object in accordance with these provisions of privatisation;

2) a notice regarding approval of the provisions of privatisation of a State property object has been published before the day of coming into force of this Law in accordance with the procedures laid down by law and the privatisation subject submits, within the time period specified in the provisions of privatisation, to the authority carrying out privatisation of State properties a confirmation that he or she wishes to privatise the object in accordance with these provisions of privatisation;

3) an offer to conclude the contract for the purchase of a local government property object to be privatised has been sent to a person who has the right of first refusal before the day of coming into force of this Law and this person submits, within the time period specified in law, to the local government a confirmation that this person agrees to conclude this contract under the conditions which are provided for in the approved draft of privatisation of the local government property object;

4) a notice regarding approval of the draft of privatisation of a local government property object has been published before coming into force of this Law in accordance with the procedures laid down by law;

5) a notice regarding approval of the provisions of privatisation of a vacant State or local government plot of land has been published before coming into force of this Law in accordance with the procedures laid down by law and the privatisation subject submits, within the time period specified in this notice, to the authority carrying out privatisation of State properties or to a local government a confirmation that he or she wishes to privatise the plot of land in accordance with these provisions of privatisation;

6) provisions of privatisation of a built-up State or local government plot of land to be privatised has been sent before coming into force of this Law to the person who has the right of first refusal and this person submits, within the time period specified in law, to the authority carrying out privatisation of State properties or a local government the documents and information requested in the provisions of privatisation.

[*6 June 2019*]

2. The provisions of Section 8 of this Law regarding the procedures for determining the price and the provision of Section 20, Paragraph eight regarding the application of interest in the case of the deferred payment (hire) shall not be applicable if the provisions of alienation of a built-up plot of land has been sent before coming into force of this Law to the person who has the right of first refusal and this person submits, within the time period specified in the provisions of alienation, to the authority carrying out alienation a confirmation that he or she agrees to purchase the built-up plot of land in accordance with these provisions of alienation.

3. Until the date of completion, the lessee has the right to submit, in accordance with the procedures laid down in this Law, to the authority carrying out privatisation or the authority carrying out alienation respectively the proposal for the privatisation or for the alienation of a vacant plot of land which is leased before the day of adoption of this Law and:

1) its lease term is at least 10 years;

2) its lease contract has been corroborated in the Land Register;

3) its lease contract provides for the right of the lessee to build buildings (structures) on the leased plot of land as independent property objects.

4. The plot of land referred to in Paragraph 3 of Transitional Provisions shall be privatised or alienated in accordance with the provisions of this Law regarding the privatisation or alienation of a built-up plot of land if the ownership rights of the lessee to the buildings (structures) which are on the plot of land are corroborated in the Land Register not later than by 31 December 2008.

[*21 June 2007*]

4.1 If the ownership rights of the lessee of the plot of land to the buildings (structures) which have been built on this plot of land are not corroborated in the Land Register before the time period referred to in Paragraph 4 of Transitional Provisions, the authority carrying out privatisation or alienation respectively shall take the decision not to transfer this plot of land for privatisation or alienation if the ownership rights of the lessee of the plot of land to the buildings (structures) have not been corroborated in the Land Register before the deadline referred to in Paragraph 4 of Transitional Provisions. This plot of land may be alienated in the future in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person.

[*21 June 2007; 5 May 2011*]

4.2 If the plot of land referred to in Paragraph 3 of Transitional Provisions has been transferred for privatisation as a vacant parcel and the ownership rights of the lessee of the plot of land to the buildings (structures) which have been built on this plot of land are not corroborated in the Land Register before the deadline referred to in Paragraph 4 of Transitional Provisions, the authority carrying out privatisation shall take the decision to terminate privatisation of this plot of land. This plot of land may be alienated in the future in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person.

[*21 June 2007; 5 May 2011*]

5. The Cabinet shall, not later than by 1 September 2005, issue regulations which prescribe the following:

1) the procedures for keeping the Privatisation Register and the information to be entered in the Register which have been referred to in Section 5, Paragraph nine;

2) the procedures for keeping the Alienation Register and the information to be entered in the Register which have been referred to in Section 18, Paragraph seven;

3) [21 June 2007];

4) the procedures for keeping the Register for Redemption of Land in Cities and the information to be entered in the Register which have been referred to in Section 24, Paragraph three.

[*21 June 2007*]

5.1 The Cabinet shall, before 30 September 2007, issue regulations which govern the procedures for submitting and examining the requests for redemption (purchase) of the land in rural areas referred to in Section 23, Paragraph three of this Law, and also the procedures for including the plots of land to be redeemed (purchased) in the Register for Redemption of Land in Rural Areas, the information to be entered in the Register, and the procedures for maintaining the Register.

[*21 June 2007*]

6. The Cabinet shall, not later than by 1 March 2008, issue regulations which prescribe the following:

1) the prepayment procedures and the procedures by which the State joint-stock company Latvian Mortgage and Land Bank notifies of the made prepayments which have been referred to in Section 32, Paragraph seven of this Law;

2) the procedures for concluding the contract for the redemption (purchase) of land, the substantive provisions of the contract, the procedures for covering expenses associated with concluding the contract, and the amount of the expenses, and also the standard contract for the redemption (purchase) of land which have been referred to in Section 32, Paragraph eight of this Law;

3) the procedures for establishing the equivalent land compensation fund and also the procedures for granting equivalent land to the former land owners or their heirs which have been referred to in Section 26.1, Paragraph three of this Law.

[*21 June 2007; 7 February 2008*]

6.1 Until the day of coming into force of the regulations referred to in Paragraphs 5.1 and 6 of Transitional Provisions but not later than until 30 September 2007, Cabinet Regulation No. 641 of 30 August 2005, Regulations Regarding the Register for Redemption of Land in Rural Areas, Cabinet Regulation No. 418 of 23 May 2006, Regulations Regarding the Payments when Redeeming the Land Granted for Use in Rural Areas, and the Cabinet Regulation No. 701 of 29 August 2006, Procedures for Making the Prepayment and Submitting a Confirmation of the Prepayment when Redeeming Land in Cities, shall be applicable, insofar as the respective regulations are not in conflict with this Law.

[*21 June 2007*]

7. The Cabinet shall, before 30 November 2008, analyse the situation in respect of the land transferred for permanent use but not subject to survey and provide a report on this to the *Saeima*.

[*7 February 2008*]

7.1 The Cabinet shall, before 1 March 2010, analyse the situation in respect of the use of certificates and provide a report on this to the *Saeima*.

[*7 February 2008*]

8. The Cabinet shall, not later than by 1 September 2005, issue the regulations referred to in Section 8, Paragraph two of this Law regarding appraisal of land for the purpose of privatisation.

9. The Cabinet shall, not later than by 1 September 2005, issue regulations which prescribe the following:

1) the procedures for calculating the lease payment for the built-up plot of land referred to in Section 9, Paragraph seven and Section 20, Paragraph nine of this Law;

2) the procedures for calculating the lease payment for the vacant plot of land referred to in Section 22, Paragraph four of this Law;

3) the procedures for concluding the contract for the lease of the land in rural areas not redeemed, the substantive provisions of the lease contract, and the procedures for calculating the lease payment, and also the approval of the standard contract for the lease of the land in rural areas which have been referred to in Section 25, Paragraph seven of this Law;

4) the procedures for concluding the contract for the lease of the land in cities not redeemed, the substantive provisions of the lease contract, and the procedures for calculating the lease payment, and also the approval of the standard contract for the lease of the land in cities which have been referred to in Section 26, Paragraph four of this Law.

10. The time period for taking the decision referred to in Section 6, Paragraphs one and two, and also Section 7, Paragraphs one and four of this Law in respect of the proposals for privatisation which have been received before the day of coming into force of this Law shall be counted from the day when the relevant proposal for privatisation has been registered in the Privatisation Register rather than from the day when the proposal has been submitted.

11. The time period for taking the decision referred to in Section 19, Paragraphs one and three of this Law in respect of the proposals for alienation which have been received before the day of coming into force of this Law shall be counted from the day when the relevant proposal for alienation has been registered in the Alienation Register rather than from the day when the proposal has been submitted.

12. The Cabinet or a local government council shall take the decision to transfer for privatisation referred to in Section 6, Paragraph two of this Law or a reasoned refusal to reject the proposal for privatisation within 52 months from the day of receipt of the proposal for privatisation in respect of the proposals for privatisation which have been registered in the Privatisation Register in accordance with Section 5, Paragraphs one, four, and five of this Law starting from 1 July 2006.

[*21 June 2007; 7 February 2008; 18 December 2008; 18 February 2010*]

13. The authority carrying out privatisation of State property shall, within 25 months from the day a proposal for privatisation has been submitted, prepare and submit to the Ministry of Economics a draft Cabinet Order in respect of the proposals for privatisation which have been registered in the Privatisation Register in accordance with Section 5, Paragraphs one, four, and five of this Law starting from 1 July 2006.

[*21 June 2007; 7 February 2008; 6 June 2019*]

14. The Rīga Local Government City Council shall take the decision referred to in Section 6, Paragraph two of this Law to transfer a local government property object or a built-up plot of land for privatisation or a reasoned refusal to reject the proposal for the privatisation of a local government property object or a built up plot of land:

1) before 31 August 2007 – in respect of the proposals for privatisation which have been registered in the Privatisation Register in accordance with Section 5, Paragraphs one, four, and five of this Law from 1 September 2005 to 31 December 2005;

2) before 29 February 2008 – in respect of the proposals for privatisation which have been registered in the Privatisation Register in accordance with Section 5, Paragraphs one, four, and five of this Law from 1 January 2006 to 30 June 2006;

3) before 31 December 2010 – in respect of the proposals for privatisation which have been registered in the Privatisation Register in accordance with Section 5, Paragraphs one, four, and five of this Law starting from 1 July 2006.

[*21 June 2007; 7 February 2008; 18 December 2008; 18 February 2010*]

14.1 The Rīga Local Government City Council shall take the decision referred to in Section 6, Paragraph two of this Law to transfer a vacant plot of land for privatisation or a reasoned refusal to reject the proposal for the privatisation of a vacant plot of land before 30 December 2010.

[*7 February 2008; 18 February 2010*]

14.2 If during the period until the deadline specified in Section 6, Paragraph two of this Law and Paragraph 12, 14, or 14.1 of Transitional Provisions court proceedings have been initiated but have not been completed in relation to a dispute about ownership rights to a State or local government property object or a vacant plot of land or corroboration thereof in the Land Register, or court proceedings have been initiated but have not been completed in a case regarding recognition of property as ownerless property or property without heirs, the Cabinet or a local government council shall take the decision to transfer for privatisation or a reasoned refusal to transfer for privatisation referred to in Section 6, Paragraph two of this Law within four months from the day when a court ruling or a notarial deed has entered into legal effect.

[*7 February 2008*]

15. [16 June 2009]

16. If during the period until the date of completion court proceedings have been initiated but have not been competed in relation to a dispute about ownership rights to buildings (structures) or corroboration thereof in the Land Register, a person is entitled to, after the ownership rights to the buildings (structures) which are located on the plot of land have been corroborated in the Land Register, submit the proposal for the alienation of a built-up plot of land within three months from the day when a court judgement has entered into legal effect in the respective case. Submission of such proposal for alienation has the same legal consequences as submission of the proposal for alienation before the date of completion.

[*21 June 2007*]

17. The priority rights of land lease shall expire on 30 November 2007 in respect of a person whose right of permanent use of land has expired from 1 September 2006 in accordance with Section 25 of this Law.

[*21 June 2007*]

18. If by 1 August 2007 a local government has failed to submit a request for corroboration for registration in the Land Register in respect of the land to which the person’s right of permanent use expired from 1 September 2006 in accordance with Section 25 of this Law, the right to this land may not be corroborated in the Land Register in the name of the local government until 30 December 2011, except for the cases referred to in Section 25, Paragraph one, and also Section 26, Paragraph one of this Law where the person refuses to redeem (purchase) land.

[*24 September 2009; 5 May 2011*]

19. A person who has concluded a land lease contract with a local government and has submitted the request for the redemption (purchase) of land in accordance with the procedures laid down in Section 23, Paragraph two of this Law, and also has been included in the Register for Redemption of Land in Rural Areas shall compensate the local government for the expenses, if any, associated with the cadastral survey of the land and the registration of cadastre data in the State Immovable Property Cadastre Information System.

[*21 June 2007*]

20. If in accordance with a decision of a local government the land is to be used for the completion of the land reform and the ownership rights of the former owner or his or her heir have been reinstated to this land, the respective person shall compensate the local government for the expenses associated with the cadastral survey of the land and the registration of cadastre data in the State Immovable Property Cadastre Information System if the local government has incurred such expenses, and the person shall be obliged to compensate for them in the cases specified in laws and regulations. The expenses shall be compensated for not later than within six months from the day when the decision has been taken to reinstate the ownership rights.

[*21 June 2007*]

21. If a person whose right of permanent use of land expired from 1 September 2006 in accordance with Section 25 of this Law has performed cadastral survey of the land and registration of cadastre data, and the right to this land has been corroborated in the Land Register in the name of a local government, the local government shall be obliged to, not later than within six months from the day when the right has been corroborated in the Land Register, compensate this person for the expenses associated with the cadastral survey of the land and the registration of cadastre data in the State Immovable Property Cadastre Information System.

[*21 June 2007*]

22. After the deadline specified in Section 6, Paragraph eight of this Law but not later than by 30 December 2009, the Cabinet or a local government council is entitled to transfer for privatisation itself the State or local government capital shares of a capital company in which the State or a local government already owns the capital shares transferred for privatisation but not privatised yet.

[*21 June 2007*]

23. Persons who had lost the right from 1 April 2006 to 1 August 2007 to credit to a privatisation certificate account the privatisation certificates granted to them may credit the privatisation certificates to this account in accordance with Section 27, Paragraph five of this Law.

[*21 June 2007*]

24. In privatising a State or local government property object, a built-up or vacant plot of land of joint property, a joint owner as the person who has the right of first refusal shall sell the undivided share owned by the State or a local government of the State or local government property object, a built-up or vacant plot of land in accordance with the procedures laid down in Section 14, Paragraphs two, three, and four of the Law on the Alienation of the Property of a Public Person.

[*21 June 2007; 5 May 2011*]

25. The time period referred to in Section 38 of this Law in respect of applications which have been filed with a court in the matters referred to in this Section before 31 July 2007 shall be determined from 1 August 2007.

[*21 June 2007*]

26. If a person has concluded the contract for the purchase of a State or local government property object and also a built-up or vacant plot of land to which the deferred payment (hire) is applied and the fee for the deferred payment is 12 per cent a year of the outstanding share of privatisation certificates and euros, the fee for the deferred payment specified in Section 13, Paragraph two and Section 20, Paragraph eight of this Law shall be applied when making future payments after 1 August 2007.

[*21 June 2007; 19 September 2013*]

27. The Cabinet shall, not later than by 1 November 2007, issue the regulations referred to in Section 16, Paragraph five of this Law. Until the issuance of these Cabinet regulations but not later than until 1 November 2007, Cabinet Regulation No. 645 of 30 August 2005, Regulations Regarding the Procedures for Calculating the Lease Payment for Plots of Land and the Procedures for Entering into Contracts for the Lease of the Land in Cities not Redeemed, is in force, insofar as it is not in conflict with this Law.

[*21 June 2007*]

28. [16 June 2009]

29. [16 June 2009]

30. [16 June 2009]

31. The authority carrying out privatisation or alienation shall before signing of a purchase contract inform the person who has the right of first refusal by sending him or her a notice in a registered letter of the right to purchase a built-up plot of land at the value for the purpose of privatisation as at 31 August 2007. In this case, the person shall provide a reply within 30 days from the day of receipt of the notice. The authority carrying out privatisation or alienation shall not send a notice to such person if the notice of privatisation or alienation (provisions of privatisation, a draft of privatisation) has been sent to him or her before 15 February 2008 regarding the right to purchase the plot of land at the value for the purpose of privatisation which is lower than the value as at 31 August 2007.

[*7 February 2008*]

32. If a hire purchase contract for the sale of a built-up plot of land valued for the purpose of privatisation during the period from 31 August 2007 to 15 February 2008 has been concluded before 15 February 2008 with the person who has the right of first refusal, the authority carrying out privatisation or alienation shall send to such person a notice regarding a possibility to amend the contract by determining the value of the relevant built-up plot of land as at 31 August 2007. In this case, the person shall provide a reply within 30 days from the day of receipt of the notice. The authority carrying out privatisation or alienation shall not send a notice to such person if the hire purchase contract has been concluded before 15 February 2008 where the value of the built-up plot of land to be sold for the purpose of privatisation is lower than the value as at 31 August 2007.

[*7 February 2008*]

33. If the purchase contract for the sale of a built-up plot of land valued for the purpose of privatisation during the period from 31 August 2007 to 15 February 2008 has been concluded before 15 February 2008 with the person who has the right of first refusal, the authority carrying out privatisation or alienation shall send to such person a notice regarding a possibility to conclude a contract which would provide for the right of this person to receive reimbursement of the amount which constitutes a difference between the value of the built-up plot of land determined in the purchase contract and its value for the purpose of privatisation as at 31 August 2007. In this case, the person shall provide a reply within 30 days from the day of receipt of the notice. The authority carrying out privatisation or alienation shall not send a notice to such person if the purchase contract has been concluded before 15 February 2008 where the value of the built-up plot of land to be sold for the purpose of privatisation is lower than the value as at 31 August 2007.

[*7 February 2008*]

34. If equivalent land is granted to the former owners or their heirs instead of the former property after 1 January 2008 in accordance with the procedures laid down in Section 26.1, Paragraph two of this Law, the cadastral value of the land for determining the area of the equivalent land shall be calculated at the value as at 31 December 2007.

[*7 February 2008*]

35. Amendments to Section 9, Paragraph seven, Section 20, Paragraph nine, and Section 26, Paragraph four of this Law (regarding procedures for determining the lease payment for a plot of land) shall come into force on 1 January 2010.

[*7 February 2008*]

36. The Rīga Local Government City Council shall, each month in 2009, submit to the *Saeima* a report on the information regarding the course of examination of the submitted proposals for privatisation.

[*18 December 2008*]

37. Legal relations which, on the basis of Section 9, Paragraph seven, Section 16, Paragraph five, Section 20, Paragraph nine, and Section 26, Paragraph four of this Law, have been established before 1 July 2009 shall be discussed in accordance with the concluded land lease contract and the provisions of the law which were in force at the moment of establishment of such relations. This condition in the part which applies to the procedures for determining the amount of the lease payment shall be valid not later than until 1 July 2010.

[*16 June 2009; 17 June 2010*]

38. Amendments to Section 8, Paragraph two of this Law which grants to the Cabinet the right to lay down the procedures for appraising land for the purpose of privatisation shall be applied to built-up plots of land (a separate built-up plot of land or a built-up plot of land together with a State or local government property object to be privatised) which are valued for the purpose of privatisation after 30 June 2009.

[*16 June 2009*]

39. If a notice (provisions) regarding privatisation or alienation of a built-up plot of land is sent to the person who has the right of first refusal before 1 July 2009, the authority carrying out privatisation or alienation shall before signing a purchase contract inform this person by sending him or her a notice in a registered letter of the right to purchase a built-up plot of land at the value which has been determined for the purpose of privatisation in accordance with Section 8, Paragraph two of this Law if the person will cover appraisal costs of the authority carrying out privatisation or alienation before appraisal of the plot of land.

[*16 June 2009*]

40. If the person referred to in Paragraph 39 of these Transitional Provisions agrees to cover appraisal costs before appraisal of the plot of land to be privatised or alienated, he or she shall provide a reply and cover the appraisal costs within 30 days from the day of receipt of the notice.

[*16 June 2009*]

41. If the person referred to in Paragraph 40 of these Transitional Provisions concludes the contract for the purchase of a built-up plot of land to be privatised or alienated, the amount which he or she has paid for the appraisal of the plot of land shall be included in the purchase price of the plot of land. If the person referred to in Paragraph 40 of these Transitional Provisions does not conclude the contract for the purchase of a built-up plot of land to be privatised or alienated, the amount which he or she has paid for the appraisal of the plot of land shall not be reimbursed.

[*16 June 2009*]

42. In respect of the contract for the purchase of a State or a local government property object and a also a built-up or vacant plot of land to which the deferred payment (hire) has been applied and which has a time period for the settlement of payments of up to five years, and which has been concluded before 1 July 2009, the maximum period for the settlement of payments may, upon expression of intent of a person in writing, be extended up to 10 years.

[*16 June 2009*]

43. In taking the decision to transfer land into ownership for consideration before 30 December 2009, the regional unit of the State Land Service shall compare the expected cadastral value of the plot of land for 2010 which has been determined by taking into account Cabinet Regulation No. 948 of 18 August 2009, Regulations Regarding the Base of Cadastral Values for 2010, with its cadastral value. The amount of the payment for the land to be redeemed (purchased) shall be calculated by taking into account the lowest numerical value.

[*24 September 2009*]

44. If the decision to transfer land into ownership for consideration has been taken before 15 October 2009 and the person has failed to conclude a redemption (purchase) contract with the State joint-stock company Latvian Mortgage and Land Bank, the person has the right to redeem (purchase) land in his or her actual use at the expected cadastral value for 2010 which has been determined by taking into account Cabinet Regulation No. 948 of 18 August 2009, Regulations Regarding the Base of Cadastral Values for 2010, or at the cadastral value if it is lower in comparison with that determined in the decision to transfer land into ownership for consideration. In order to change the amount of payment, the person shall submit to the State joint-stock company Latvian Mortgage and Land Bank a certified statement of the State Land Service regarding the expected cadastral value for 2010. If the contract for the redemption (purchase) of land is concluded after 30 December 2009, the person shall submit the Cadastre Statement Regarding Immovable Property to the State joint-stock company Latvian Mortgage and Land Bank in order to change the amount of the payment. If a local government has determined a reduction in the amount of the payment before taking of the decision to transfer land into ownership for consideration, the statement regarding the expected cadastral value for 2010 or the Cadastre Statement Regarding Immovable Property shall be accompanied by information regarding the amount of the payment for the land to be redeemed (purchased) by taking into account the reduction in the amount of the payment determined by the local government.

[*24 September 2009*]

45. In case of joint use of a plot of land where at least one joint user of land has submitted the submission for taking the decision to transfer land into ownership for consideration before 31 August 2009, the decision to transfer land into ownership for consideration shall be taken according to the will expressed by the joint users of land before 31 August 2009 in respect of the action involving undivided share determined for each of them on the assumption that a joint user who has not expressed his or her will before 31 August 2009 has refused to redeem (purchase) the undivided share of the plot of land.

[*24 September 2009*]

45.1 In case of joint use of a plot of land where at least one joint user of land has submitted the submission for taking the decision to transfer land into ownership for consideration before 31 August 2010, the decision to transfer land into ownership for consideration shall be taken according to the will expressed by the joint users of land before 31 August 2010 in respect of the action involving undivided share determined for each of them on the assumption that a joint user who has not expressed his or her will before 31 August 2010 has refused to redeem (purchase) the undivided share of the plot of land.

[*5 May 2011*]

46. In respect of the persons who have concluded the contract for the redemption (purchase) of land with the State joint-stock company Latvian Mortgage and Land Bank to which the deferred payment (hire) has been applied and which has a time period for the settlement of payments of up to five years, and which has been concluded before 15 October 2009, the maximum period for the settlement of payments may, upon expression of intent of such persons in writing, be extended up to 10 years. Starting from 1 March 2014, the authority appointed by the Cabinet in accordance with Section 23, Paragraph 11.2 or Section 24, Paragraph 4.1 is entitled to extend the maximum period for the settlement of payments.

[*24 September 2009; 16 January 2014*]

47. Persons have the right to submit a boundary plan of land and the submission for taking the decision to transfer land into ownership for consideration before 31 August 2010, provided that their request for the redemption (purchase) of land indicates a plot of land which has been included in the Register for Redemption of Land in Rural Areas on condition that, before taking the decision to transfer land into ownership for consideration but not later than by 31 August 2009, these persons shall submit to the territorial unit of the State Land Service the documents which confirm their right to redeem (purchase) land.

[*24 September 2009*]

48. It shall be determined that the following procedures for making payments are provided for during the period of time from 1 July 2010 to 31 December 2012:

1) payments which are made by the purchaser of a State or local government property object or a built-up or vacant plot of land for the relevant property object or plot of land shall be first included by the authority carrying out privatisation or alienation in the proportional settlement of the principal amount of the purchase price and interest payment for the deferred payment (hire);

2) settlement of the principal amount of the purchase price and interest payment for the deferred payment shall not release the purchase of a State or local government property object or a built-up or vacant plot of land from the payments of the penalty calculated in accordance with the procedures laid down in the hire purchase payment;

3) if the purchaser of a State or local government property object or a built-up or vacant plot of land fails to make payments provided for in the hire purchase contract for the settlement of the principal amount and interest payment for the deferred payment, the authority carrying out privatisation or alienation shall calculate the penalty provided for in the hire purchase contract;

4) after settlement of the principal amount of the purchase price and interest payment for the deferred payment for a State or local government property object or a built-up or vacant plot of land, future payments made by the purchaser of this object or plot of land shall be included in the settlement of the penalty calculated in accordance with the procedures laid down in the hire purchase contract, in accordance with the procedures laid down in Sub-paragraph 3 of this Paragraph.

[*17 June 2010*]

49. It shall be determined that during the period of time from 1 July 2010 to 31 December 2012, the authority carrying out privatisation or alienation may, upon request of the purchaser of a State or local government property object or a built-up or vacant plot of land, postpone the payment of the principal amount of the purchase price and the penalty specified in the contract for hire purchase of this property object or plot of land for the period requested by the purchaser of the property object or plot of land but not longer than for one year, provided that the purchaser submits a document issued by a competent authority regarding the fact that he or she has paid the taxes specified in law, and also may prove his or her insolvency.

[*17 June 2010*]

50. The time period for the redemption of land referred to in Section 26, Paragraph one, Clause 3 of this Law, namely 30 December 2010, shall not be applicable if during the period from 31 December 2009 to 1 July 2010 a local government has taken the decision to transfer property of the local government for alienation. In this case, the person has the right to acquire land into ownership in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person.

[*17 June 2010; 5 May 2011*]

51. Until the moment when the Cabinet appoints an authority which shall fulfil the State administration task specified in this Law, namely to ensure the redemption (purchase) process of land, the tasks specified in this Law shall be fulfilled by *valsts akciju sabiedrība “Latvijas Attīstības finanšu institūcija Altum”* [State joint-stock company Development Finance Institution Altum].

[*16 January 2014*]

52. If the provisions of privatisation of a State property object have been approved or provisions of auction of a State vacant plot of land have been announced before 28 February 2015, the Cabinet may take the decision to terminate privatisation of a property object or a vacant plot of land if the provisions of privatisation have been approved or the auction has been announced two times and no tenderer has applied for the privatisation of the object or for the purchase of the plot of land or has been approved as a purchaser.

[*29 January 2015*]

53. If a local government council has approved a draft of privatisation of the local government property object or announced provisions of auction of a vacant plot of land of the local government before 28 February 2015, the local government council may take the decision to terminate privatisation of a property object or a vacant plot of land if the draft of privatisation or provisions of privatisation have been approved or the auction has been announced two times and no tenderer has applied for the privatisation of the object or for the purchase of the plot of land or has been approved as a purchaser.

[*29 January 2015*]

54. The maximum time period (of up to five years) for the deferred payments (hire) referred to in Section 13, Paragraph one of this Law shall not be applicable to the contracts for the purchase of State or local government property objects and also a built-up or vacant plot of land which have been concluded before the day of coming into force of the relevant amendments (regarding reduction of the time period of 10 years to five years).

[*6 June 2019*]

55. The maximum time period (of up to five years) for the settlement of payments referred to in Section 32, Paragraph nine of this Law shall not be applicable to the contracts for the redemption (purchase) of land which have been concluded before the day of coming into force of the relevant amendments (regarding reduction of the time period of 10 years to five years).

[*6 June 2019*]

The Law shall come into force on 1 September 2005.

The Law has been adopted by the *Saeima* on 16 June 2005.

President V. Vīķe-Freiberga

Rīga, 6 July 2005