

*V. Mazur, Student*  
*V. Kovtun, research advisor*  
*T. Zhibritska, language advisor*  
*Berdychiv College of Industry, Economics and Law*

## **PRECONDITIONS AND MAIN ASPECTS OF LAND REFORM IN UKRAINE**

In this article, I explored the history from the first land moratorium in 2001 to his abolish and opening land market in 2020. The purpose of this study was to investigate the main problems which caused the land moratorium and main aspects of Law “On amendments to certain legislative acts of Ukraine regarding agricultural land circulation”.

**Preconditions.** Our country has always been famous for soils and especially – black-soils. Ukraine has some of the best land in Europe of the total area of 60 million hectares; 42.7 million hectares (70.8%) are agricultural land with very fertile soil. Another 17.6% of the territory is occupied by forests, 4.2% is built-up areas. Land is one of the key resources for the development of villages and cities. If used effectively, it will promote economic development, stimulate investment and increase productivity in agriculture and in other sectors. However, this growth is hampered by problems that land reform must overcome.

Land reform began in 1991 with the transfer of ownership and land management from the state to collective farms (agricultural lands) or local self-government bodies (land in cities), and subsequently to private individuals. Its purpose was to create rental and sale markets for land and related market infrastructure. As a result, 6.9 million villagers (about 16% of the total population) received 27 million hectares of agricultural land (about 45% of the country’s total) into private ownership by splitting up the land of former collective farms.

According to the decisions of local self-government bodies, about 4.5 million hectares of land of other uses were privatized. By 2017, 52.2% of the land was privately owned, and 28.8 million hectares (47.8% of the total) remain in state or communal ownership (of which about 10.5 million hectares are agricultural land).

However, since 2001, the rights of private owners to dispose of their land have been limited by a moratorium on the sale of agricultural land. This moratorium was adopted as a temporary measure. Thereafter, the “temporary” measure was extended by the Parliament 9 times. [0] All this led to the fact that in 2018 the European Court recognized that a moratorium on trade in agricultural land violates the rights of Ukrainians, and recommended to amend the legislation.

On September 20, the government promulgated a draft Law of Ukraine “On amendments to certain legislative acts of Ukraine regarding agricultural land circulation”, which will regulate the creation of a land market in Ukraine.

**Problems of land market.** Only 6 countries in the world do not have a free land market: North Korea, Tajikistan, Congo, Venezuela, Cuba and until recently Ukraine. Therefore, the development of land relations in Ukraine remains outdated. This hinders the development of the agricultural sector. According to the latest data about 1,000,000 Ukrainians have died without waiting for opportunity to sell their land and about 1.5 million hectares of land of Ukrainians who died has been appropriated by the state. [0, c.2]

The land moratorium has caused many problems in the agrarian sector of Ukraine:

- 1) The land moratorium was a violation of the constitutional rights of citizens.
- 2) Ukrainian peasants every year receive less about 18,000 UAH because of the lack of a land market.
- 3) The land market in Ukraine is actually worked, but in a shadowy and distorted form. Because there were many ways to circumvent the moratorium. For example: long term lease, emphyteusis, fictitious testament, outpost.
- 4) The land moratorium impeded the economic development of Ukraine in the agricultural sector.

**The solution** of all these problems - opening of the land market and abolish the land moratorium. 31 March the Ukrainian parliament passed the law “On amendments to certain legislative acts of Ukraine regarding agricultural land circulation”.

**The main theses of the Law:**

- 1) On July 1, 2021, the moratorium on the sale of agricultural land will be lifted;
- 2) From 2021 to 2023, the right to buy land will be for natural persons only. Legal entities are prohibited from buying agricultural land.
- 3) In the first two years will be prohibition on the sale of state land
- 3) Set a minimum starting price for the sale of land of state and communal ownership of land auctions at a level not lower than the normative monetary valuation. By 2030;
- 4) Banks will be able to become owners of the land only if the land was acquired by them as a collateral on outstanding loan.
- 4) A limit is imposed on the aggregate area of agricultural land that may be owned by the citizen and the legal entity and its related persons. Restrictions do not allow the acquisition of more than 15% of agricultural land in the region and 0.5% of agricultural land in Ukraine. This thesis is necessary in order to prevent land monopolization;
- 5) The preferential right of the tenant to purchase the parcel of land;
- 6) The right of foreigners to buy land will be decided on the referendum;

7) Foreigners are forbidden to buy land closer to 50 km from the state border of Ukraine, despite the results of the referendum.

8) In the first two years will be restrictions on land purchase – not more than 100 hectares per person. [0, с.2]

Also, a necessary step for progress in the agricultural sector is the restructuring of the State Geocadaastre. Because Law «On Land Cadastre» and the Decree «On the State Geocadaastre» contains numerous conflicts of interest that are the source of corruption.

**Conclusion.** In general, system implementation of market circulation of agricultural land in Ukraine, based on a favorable economic environment using the best of the world experience, will create the necessary conditions for economic and land relations, in order to prevent abuse of land property, establishing rational land use, real value of Ukrainian black-soils and reproduction of soil fertility.

## REFERENCES

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