

Use of agricultural land during the war in Ukraine

Special regulations on the use of agricultural land have been introduced in Ukraine for the duration of martial law. The relevant law entered into force on 7 April 2022.

The key provisions of the law provide for:

1) automatic renewal of the agreements for the lease of Ukrainian agricultural land (irrespective of the form of ownership) that expired after the introduction of martial law. Such agreements are considered to be renewed for one year. There is no need to register the information about the renewal.

2) the conditions for lease of state and communally owned agricultural land, in particular:

- the lease term shall not exceed one year;
- land may be used for agricultural production only;
- the lease rate shall not exceed 8% of the normative monetary evaluation of the land plot;
- the lease may not be extended for a new term;
- sublease, construction or planting of perennial crops on the leased land plot is prohibited;
- if the lease agreement expires before the harvesting of the crops sown by the lessee on the land plot, the lessee shall be entitled to harvest such crops upon payment of the lease amount for the period from the expiry of the lease agreement to the day of harvesting;

3) exemption of owners and users of land plots from any liability for failure to use the land plot;

4) prohibition to transfer state and communal land plots into private ownership free of charge;

5) abolition of the requirement to hold land auctions for lease rights to state and municipally owned agricultural land plots;

6) granting lessees and sublessees of agricultural land the right to transfer their lease rights to other persons without the consent of the land plot's owner for a period of up to one year;

7) possibility of concluding lease agreements in electronic form, without the registration of the right to lease a land plot;

8) granting district military administrations the power to register the following:

- lease agreements for agricultural land plots leased by executive authorities and local self-government bodies;
- lease agreements for agricultural land plots leased by permanent users,

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- emphyteuts;
- agreements on transfer of lease rights;
- agreements on amendments to and termination of such agreements.

Suspension or cancellation of martial law in Ukraine will not be a ground for termination or amendment of lease agreements concluded in accordance with wartime regulations. After termination or cancellation of martial law, such agreements cannot be renewed or concluded for a new term and will remain in force until the expiration of the term for which they were concluded.