

Privatization and Reorganization of Farms in Moldova

Reference Manual

Stimați concetățeni,

Aș dori să vă încurajez și să susțin participarea dumneavoastră la privatizarea și reorganizarea întreprinderilor agricole din Moldova. Acest pas istoric va contribui la accelerarea reformelor din domeniul agriculturii. Având un sol fertil, o economie bazată pe agricultură, locuri pitorești, Moldova va prospera în rezultatul acestor schimbări semnificative. Dar mai important este faptul că procesul de privatizare și reorganizare a fostelor gospodării colective va garanta cetățenilor Republicii Moldova dreptul constituțional de proprietate privată asupra pământului și patrimoniului.

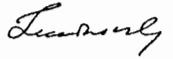
Îmi dau seama ce înseamnă improprietărea cu pământ pentru oamenii din Moldova. În luna noiembrie 1997 am avut o deosebită plăcere să particip personal la ceremonia de înmănare a titlurilor constituționale consătenilor mei din Rădulenii - Vechi. Plini de speranță și bucurie, ei mi-au spus că sunt pregătiți și dispuși să folosească pământul și patrimoniul care le aparține pentru a îmbunătăți viața lor și a copiilor.

Fermierii noștri din nou se bucură de dreptul de proprietate privată și sunt gata să muncească mult pentru a-și îmbunătăți viața. După cum a spus un fermier, citez "Când fermierul se trezește noaptea la bătăile stropilor de ploaie, își amintește de un lucru pe care nu a reușit să-l facă în decursul zilei". Astfel trebuie să fie un stăpân adevărat al pământului. Având așa gospodari putem obține succese.

În rezultatul procesului de privatizare și reorganizare a agriculturii, cetățenii noștri vor deveni stăpâni adevărați ai pământului și, muncind cu abnegație și fermitate, vor obține succese.

Asmenea semințelor semănate, eforturile pe care le depuneți acum vor genera pe viitor rezultate bune nu numai pentru dumneavoastră, dar și pentru Moldova.

Președintele
Republicii Moldova



Petru LUCINSCHI

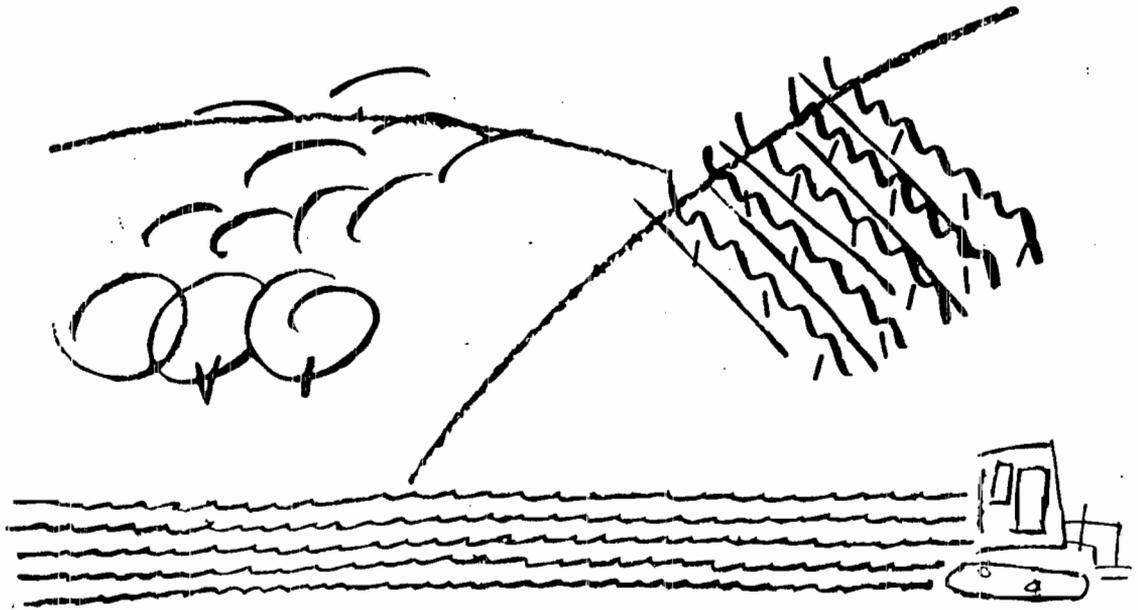
Dear compatriots,

I want to offer you my encouragement and support for your participation in the privatization and reorganization of farms in Moldova. This historic effort will enhance the reforms in the agrarian sector. Moldova, with its beautiful countryside, fertile soil and agricultural-based economy, will only prosper as a result of these crucial changes. And most importantly, the reorganization and privatization of the former collective farms will ensure the citizens of Moldova with their constitutional right to private ownership of land and property.

I know what land ownership can mean to people. In November 1997, I was proud to be able to personally hand out constitutional land titles to people from my own village of Raduleni-Vechi. With their smiling faces and hopeful words, they told me they are ready for this change and ready to use their own land and property to improve their lives and the lives of their children.

Our farmers will once again enjoy private ownership and are already ready to work hard and improve their lives. As one farmer said, "When a farmer wakes at night and startles at hearing the rain falling, as he remembers something he didn't manage to do during the day" - this is how I envision a true owner of land. With such owners, we can only succeed.

As a result of privatization and reorganization of agriculture, citizens of Moldova will become true owners of land and will succeed through their hard work and determination. Like the seeds that you plant, your efforts today will yield great benefits in the future, not only for you and your family, but for Moldova as well.



Privatization and Reorganization of Farms in Moldova

Reference Manual

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Purposes and Use of This Manual

This *Reference Manual* explains the privatization and reorganization methodology. It is written for people interested in reviewing the methodology and the laws upon which it is based. It is written for government officials, parliament members and academe. Two other manuals work in conjunction with this one. The *Administrators Manual* details specific responsibilities for each administrator. In a simple, brief style, the *Farm Members Manual* explains the privatization and reorganization methodology as well as the decisions and actions required by entitled individuals.

This manual is a technical explanation of the privatization and reorganization methodology and includes many legal citations. People reading this manual should already have an understanding of privatization and reorganization.

This manual is organized chronologically so that the privatization and reorganization methodology can be followed step by step through each of the three main stages (Initial Steps in Privatization and Reorganization, Farm Preparation, and Land and Property Distribution). Note that much of the work of the land and property commissions can be carried out simultaneously.

The manual has the following features that make it easy to use:

- Table of Contents — Located at the beginning of the manual, the table of contents can be used to quickly find a section that includes the desired information.
- Glossary — This section provides definitions of key terms used in the methodology.
- Legal citations — Relevant Moldovan laws are noted in the margins beside the corresponding text. These citations can be used to look up the law.
- Annexes — The annexes at the end of the manual provide additional information, forms, sample calculations, as well as basic informational pages that can be photocopied and posted on bulletin boards or used as hand-outs.
- Index — Specific topics can be found quickly in the manual by using the index to find relevant page numbers.

Farm Privatization and Reorganization Centers

Region	Telephone/ FAX #	Location
Cahul	(239) 2 97 13	35 Republicii St.
Causeni	(243) 2 41 90 fax 2 41 57	31 Mihai Eminescu St., office 42, 43
Criuleni	(248) 2 27 76 fax 2 00 88	116 August 31 St., office 8
Edinet	(246) 2 56 29 fax 2 57 27	112 Octavian Cerenpei St.
Hincesti	(234) 2 44 40 fax 2 17 45	123 Mihalcea Hincu St., office 19
Orhei	(235) 2 49 58 fax 2 06 45	13 Vasile Lupu St.
Soroca	(230) 2 34 42 fax 2 29 92	21 Stefan cel Mare St., office 2, 3
Ungheni	(236) 2 23 56 fax 2 37 75	2 Boico St.

If you don't know which center to call or have additional questions, call the Chisinau office at (022) 223 191, 225 123.

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Introduction

The process of farm privatization and reorganization represents the most important step in Moldova's transition to a market economy. Since 1992, when Moldova first instituted the process of privatization of farms, people have recognized the need to strengthen this country's agricultural economy by empowering individuals with land and/or property. People from the farms understand that this process must be completed with utmost urgency if Moldova is to successfully complete its transition to a market economy. Moldova's economy is largely agricultural, and thus, an improvement in the agricultural sector through the hard work of land-owning citizens who farm the land and increase the production of new farms across the country will benefit all of Moldova.

The methodology in this manual has been tested and proven to be successful. Today, farms and local authorities are charged with carrying out the laws, and completing the process of privatization and reorganization of the former collective farms. This manual reviews the methodology that was first developed in Nisporeni, where Maiak collective farm was privatized and reorganized in 1996. In 1997-1998, 72 farms were privatized and reorganized using this methodology. Many other farms have been working on privatizing and reorganizing and the methodology in this manual will allow them to complete this process.

The first stage, "The Initial Steps in Privatization and Reorganization," includes disseminating information to local administrators and beneficiaries of the process, as well as information on the first general meeting. The second stage, "Farm Preparation," includes the activities necessary to prepare the farm for the land tender and property tender, including the creation of the entitlement lists, determination of land share values, property inventory and appraisal, determination of property shares and all related information needed for beneficiaries to make informed decisions. The third stage, "Land and Property Distribution," includes the steps necessary for the land tender and property tender, allocation of parcels, distribution of land title certificates and property, followed by the creation of successor enterprises and new enterprises. All stages include sharing information with the beneficiaries, often at an early stage, in order to ensure that people understand their rights and responsibilities, and to prepare people to carefully consider their options before making any decision. The following pages contain a detailed outline of these three stages.

There are many laws, government decisions and normative acts which govern the process of privatization and reorganization; these are noted to the right of the activity, and are also listed in Annex 38. This methodology was developed by Moldovan specialists in economics, accounting, law, agronomy, surveying and other fields, based upon the legislation and laws of this country.

By empowering citizens with land and property, and finishing the process of privatization and reorganization, Moldova will be able to move forward and meet the future.

Methodology Overview

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Initial Steps in
Privatization and
Reorganization

I. Disseminating Information
to Administrators

II. General Information
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Stage 2
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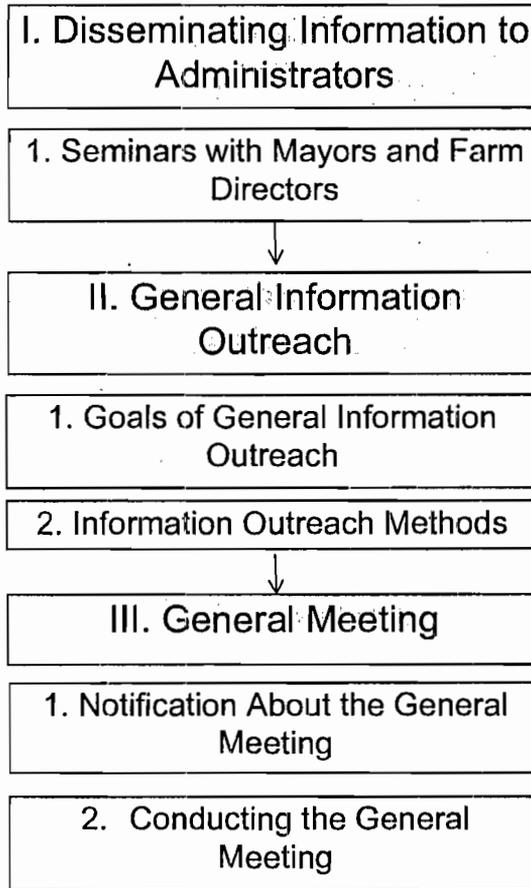
VI(b). Property Tender

Stage 3
Land and
Property
Distribution

VII. Creation of the
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Registration of New
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Stage 1: Initial Steps in Privatization and Reorganization



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8. Information Needed for the Land Tender

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3. Property Inventory

4. Appraisal of Property

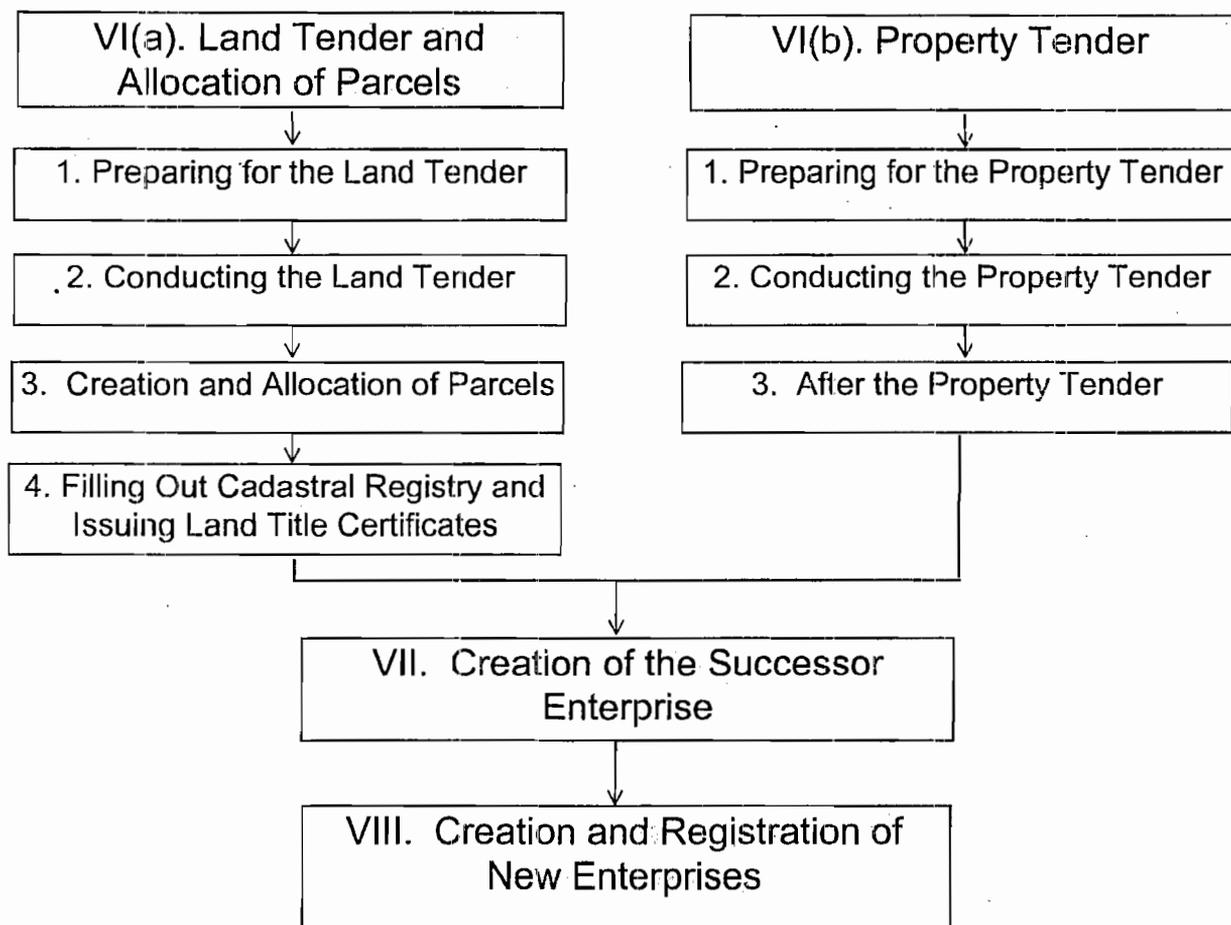
5. General Meeting of Farm Employees and Pensioners

6. Calculation of Property Shares

7. Approval, Registration and Issuance of Property Share Certificates

8. Development of Cost Standards

Stage 3: Land and Property Distribution



Glossary

Administrator:	A person responsible for performing specific actions at each point in the privatization and reorganization process.
Application for Tender Participation:	Statement describing which lots or property a person wants to claim at the land and/or property tender.
Arable Field:	A surface of arable land bounded by physical boundaries and identified on existing plan by a contour number.
Arable Parcel:	A parcel allocated to an individual land share holder on an arable field.
Assets:	Economic resources that are expected to contribute to future cash inflows or help reduce future cash outflows.
Bill of Transfer:	A certificate that shows the transfer of property from an individual or an entity to another individual or entity.
Cadastral Registry of Landholders:	Official record of land holders maintained by the mayor's office of the village (commune) within whose territory the agricultural land parcel is located.
Collective Farms:	Former kolkhozes and sovkhoses which have reregistered as another legal form, but have not undergone the reorganization process.
Connected Property:	Vineyards, orchards (other perennial crops), irrigation systems, etc., that are physically connected to land.
Contested Lot or Property:	Land or property with more than one claimant.
Current Assets:	Liquid assets with a life expectancy of a year or less.
Dead Persons:	According to the law, all people who were farm members at 01.01.92 have the right to participate in the privatization and reorganization process. Thus, all farm members who died after 01.01.92 will be included on the land and property entitlement lists and their inheritor(s) can claim their land and/or property shares.
Farm Members:	People who are entitled according to Moldovan law to receive land and/or property and who participate in the privatization and reorganization of former state or collective farms.
Farm Privatization and Reorganization Center:	A territorial office established to help farms in the privatization and reorganization process by giving advice, answering questions, etc. This office also has copies of all the manuals, pamphlets, and other materials to help in completing all paper work.

Final Land Arrangement Project:	Final project showing location of each arable parcel and perennial crops parcel identified by unique cadastre number that is associated with the land share holder who is being allocated such parcel.
Fixed assets:	Tangible property such as buildings, and equipment, etc.
Grouping/ Arranging List:	List of persons who will receive parcels on a particular arable field or land with perennial crops, arranged in sub-groups (families, etc.) in order in which they will receive parcels.
Hectare-points:	A basis for valuing land that takes into account its fertility and size.
Individual Farmer:	A person who chooses to farm his land parcel (and parcels of his family) by himself or with members of his family.
Land Commission:	A special commission established by the mayor's office together with the farm situated on the territory of the mayor's office. The main responsibility of the commission is implementing the land reform.
Land Fund:	Total amount of land to be distributed to entitled individuals.
Land Share Certificate:	Document confirming an individual's right to a land share worth a certain number of hectare-points. Land shares do not give the right to a specific land parcel and are used at the land tender. <u>The term Land Share should not be confused with the term Land Title Certificate (see below).</u>
Land Surveying:	Measuring and verifying the total area and soil fertility for each arable field and each land with perennial crops.
Land Tender:	The event at which land is allocated to all entitled individuals.
Land Title Certificate:	Certificate given to landowner after registration of ownership of a particular parcel of land defined by size and location. Registration of land title certificates occurs after individuals are allocated a specific land parcel in exchange for land shares at the land tender.
Land with Perennial Crops:	Area planted with perennial crops which is bounded by physical boundaries and identified on the existing plan by a contour number.
Leader:	A person who is trusted by the local community and collects proxies and/or signs proxy agreements from people entitled to land and/or property shares to represent them at the land and/or property tender and who intends to lease land and/or property to establish a new farm of which he is the primary owner.
Lease agreement:	A document giving an individual the rights to use another person's land and/or property for a specified period in exchange for cash, in-kind payment or a combination .

Lessee:	The person taking use of land and/or property.
Lessor:	The person giving use of land and/or property.
Lot:	An arable field or land with perennial crops (or a group or a portion of an arable field or land with perennial planting) that forms a unit in the land tender.
Memorandum:	A document defining method for distribution of contested lots or contested property.
Offer:	Conditions of payment proposed by one individual to pay for the use of land and/or property. A land and/or property share holder collects verbal offers to determine realistic compensation for the use of land and/or property.
Parcel:	A specific plot of land, obtained with one land share (or part of a land share), which is legally defined by size and location on the final land arrangement project.
Perennial Crop Parcel:	Parcel allocated to an individual land share recipient on land with perennial crops.
Preliminary Land Arrangement Project:	The planning basis prepared for parcel projection work and showing boundaries, surface areas and slopes of arable fields and lands with perennial crops, soil fertility, irrigation networks, and existing and projected access roads, and anti-erosion works.
Privatization:	Process of state or collective land and property transfer into private ownership with issuance of the documents confirming this right.
Privatization Fund:	The privatization fund includes both the land and property funds.
Property:	Any asset owned by farms.
Property Commission:	A special commission established jointly by the farm, mayor's office and territorial agency of the Ministry of Privatization and State Property Administration. The main responsibility of the commission is to organize and perform distribution of the farm's property.
Property Fund:	Total amount of farm property to be distributed to entitled individuals on the farm.
Property Share Certificate:	A voucher expressed in monetary terms distributed to each individual who is entitled to receive property. Property shares are redeemed for actual property through a tender. Different individuals receive property shares of differing values depending on criteria established by property commission (for example, number of years of work.)

Property Tender:	The event at which property is allocated to all entitled individuals.
Proxy:	A written agreement that grants another person the right to represent an individual's interest at a land and/or property tender, but does not grant the right to use land and/or property. A proxy must be notarized by a state notary.
Proxy Agreement:	A written agreement that grants another person the right to represent an individual's interest at a land and/or property tender, but does not grant the right to use land and/or property. A proxy agreement does not have to be notarized by a state notary.
Reorganization:	Change of the legal status of the farm and/or creation of new enterprises on the basis of the farm.
Representative:	An individual designated by another individual or a group of individuals to attend a tender in their place.
Social Sphere Facilities:	Schools, clinics, kindergartens, or other buildings where social sphere employees worked.
Successor Enterprise:	A legal entity formed after reorganization that takes over all legal rights and liabilities of the farm that is reorganizing.
Surveyor	Private firm, private individual, or state organization, which is licensed to conduct cadastre works and that is contracted by the mayor's office to measure the land fund and prepare the preliminary and final arrangement projects, and fill out land title certificates.
Will:	A legal document stating how to distribute a person's land and property after his or her death. It is signed by him and attested by witnesses.

Stage 1: Initial Steps in Privatization and Reorganization

I. Disseminating Information to Administrators

The privatization and reorganization process begins with informational and training seminars for people responsible for implementing the process on farms. Information about the farms also is collected at this time.

1. Seminars with Mayors and Farm Directors

The farm privatization and reorganization centers provide assistance to Moldovan farms and hold informational seminars for mayors, farm directors and the appropriate specialists.

A list of major topics for seminars includes:

- How to hold a general meeting to vote on reorganization
- How to prepare the lists of entitled people
- What are the various options for using land and property
- How to conduct a land tender
- How to conduct a property tender
- How to form a new enterprise
- How to create a successor enterprise and what are the necessary steps for the final dissolution

The farm privatization and reorganization center can hold seminars on other topics if requested by farms.

The farm privatization and reorganization center distributes the following to the administrators:

- The *Administrators Manual*
- The *Farm Members Manual*
- Information pamphlets
- Sample documents

The farm privatization and reorganization center has other information that may be useful. The Administrators Manual and Reference Manual thoroughly cover all aspects of the methodology; for example, a listing of the laws, government decisions and other relevant legal citations appears in Annex 38.

II. General Information Outreach

One of the primary responsibilities of the local administrators is communicating information. Accurate, reliable and timely information should be available in order to further understanding of the privatization and reorganization process. Those who understand their options and responsibilities will be able to make the best decision.

1. Goals of General Information Outreach

The main goal of the information outreach is to ensure that each member of the farm and former member who withdrew from the farm in the past *receives* accurate, reliable and timely information about the privatization and

reorganization process and that they *understand* this information. Achieving this goal will mean that farm members and former members understand how to participate in the process of privatization and reorganization, what their rights are and also what their responsibilities are. Three manuals are available to serve specific groups involved in the privatization and reorganization process:

- This *Reference Manual* describes the process and provides legal citations.
- The *Administrators Manual* explains the specific steps required of each person who helps to implement the process.
- The *Farm Members Manual* provides information on the privatization and reorganization process.

The Annexes at the end of this manual and the *Administrators Manual* can be distributed to farm members as pamphlets that describe specific options for the use of land and/or property shares (Annex 39).

The information outreach is based on the following principles:

- **Free access to information**
Participants in privatization and reorganization must have all the information they need in order to make informed decisions.
- **Free exchange of information**
The privatization and reorganization process depends on the free exchange of information.
- **Accuracy and reliability of information**
Information in these manuals is based upon the laws of the Republic of Moldova.

2. Information Outreach Methods

Administrators use bulletin boards, small group and one-on-one discussions, and pamphlets to disseminate information about the privatization and reorganization process.

III. General Meeting

The general meeting introduces all farm employees and pensioners to the privatization and reorganization process, gives them an opportunity to discuss how to use their land and/or property shares and then to vote on reorganization.

1. Notification About the General Meeting

Administrators announce the meeting date at least two weeks in advance to ensure that everyone is notified about the meeting and can plan to attend.

Note: Members of joint-stock companies should be notified in writing of the meeting date and its agenda one month in advance. In addition, an announcement about the meeting should be published twice (at 10 day intervals) in a raion or republican newspaper.

Article 55 of the Law of
RM on joint-stock
companies of 02.04.97

2. Conducting the General Meeting

2.1 Quorum

The general meeting can occur only if a quorum of farm employees and pensioners is present. The exact percentage of farm employees and pensioners that need to be present for the meeting to occur varies according to the farm's legal form. The attendance requirements for each legal form of farm are:

- **Cooperatives**

Two-thirds of a cooperative's members must be present for the general meeting to occur.

Article 14 of the Law of RM on cooperatives of 16.11.92

- **Joint-Stock Companies (JSC)**

The general meeting takes place only if company shareholders representing more than 50% of shares issued are present. The statute provisions of the JSC may require greater representation.

Article 58 of the Law of RM on joint-stock companies of 02.04.97

- **Peasant Farm Associations**

The required number of meeting attendees is stated in the association's statute.

Article 111 of the Regulations on economic entities approved by the Decision of the Government of RM no. 500 of 10.09.91

2.2 Agenda

- **Opening of Meeting and Review of Items on Agenda That Will be Discussed**

- **Social and Economic Situation of the Enterprise**

The farm director or farm accountant presents the latest information on the social and economic condition of the farm, including the farm's debts, assets and recent financial performance. This presents the scenario of the farm's status to date and thus leads to consideration of privatization and reorganization.

- **Reasons to Privatize and Reorganize**

Administrators discuss: the options available to farm members (farming individually; leasing their land to others; or becoming a leader and leasing land from others, etc.); and advantages and disadvantages of each option. They may distribute pamphlets about the major steps of the process (see Annex 39).

- **Functions of the Land and Property Commissions**

The mayor and the farm director should inform the farm members about the role and functions of the land and property commissions.

- **Difficulties That May Arise When Dividing Land and Property**

- **Vote on Reorganization**

After administrators fully explain the privatization and reorganization process, farm employees and pensioners discuss the issue and vote on whether or not to reorganize the farm.

2.3 *Majority Requirements for Making a Decision*

The majority of votes required for each legal form of farm are:

- **Cooperatives**
The decision to reorganize the farm is adopted only if more than half of the total number of cooperative members vote for the decision.
Article 14 of the Law of RM on cooperatives of 16.11.92

- **Joint-Stock Companies (JSC)**
The decision to reorganize the farm is adopted by a two-thirds vote of those in attendance. A simple majority of votes is sufficient to decide other issues.
Article 61 of the Law of RM on joint-stock companies of 02.04.97

- **Peasant Farm Associations**
The required number of votes varies according to the type of the association.
Articles 114 and 115 of the Regulations on economic entities approved by the Decision of the Government of RM no. 500 of 10.09.91

Stage 2: Farm Preparation

IV. Informing Farm Members and Former Members

1. Choices

The privatization and reorganization process offers several options to beneficiaries (see V(a), 2.1 Criteria for Entitlement for a review of the law regarding entitlement) and non-beneficiaries who are interested in forming new enterprises:

- The person becomes an individual farmer and farms his or her own parcel of land. (He or she may also farm land with family members.)
- The person becomes a leader who runs a private farm and leases land and/or property from one or more individuals.
- The person becomes an entrepreneur and starts a business.
- The person becomes a lessor by leasing his or her land and/or property to someone else.
- The person sells or gives away his or her land and/or property.
- The person doesn't use their land and/or property shares.

Most of these options relate to beneficiaries; a non-beneficiary can participate in the privatization and reorganization process by becoming a leader and leasing in land, forming a new enterprise or joining with family members to farm.

1.1 Individual Farmers

Those who want to farm their own land by themselves or with family members choose to become individual farmers. (All forms of legal enterprises for the various structures of farms are reviewed in section VIII. Creation and Registration of New Enterprises. This section only presents information for consideration by beneficiaries prior to the process of enterprise formation and registration.) They may individually farm their own land as long as they like. In the future, they may lease land from others and become a "leader" or they may lease their land to others. It's their right.

Those who want to become individual farmers should consider the following basic rights and responsibilities:

Rights

- They make their own decisions.
- They have the right to individually farm their own parcel of land and get a profit from it.
- They can plant what they want and raise crops as they choose.
- They can plan the production process and sell the products individually.
- They can expand the land they farm through purchase, inheritance or gift.

Article 4 of the Law of RM on Peasant Farms of 03.02.92
Article 4 of the Law of RM on Peasant Farms of 03.02.92

Article 4 of the Law of RM on Peasant Farms of 03.02.92
Article 6 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

Articles 1 and 6 of the Law of RM on Normative Land Price and the Procedure of Land Purchase and Sale of 25.07.97 Articles 257 and 561 of the Civil Code of RM of 26.12.64

Responsibilities

- They must register their enterprises. For more information about types of enterprises, registration of enterprises and laws regarding the same, see section VIII. Creation and Registration of New Enterprises.
- They must farm the land otherwise they lose the ownership right to their land.
- They must observe agricultural requirements and farm the land in a manner that prevents soil erosion and supports soil fertility.
- They must pay all taxes in accordance with current legislation.
- They are responsible with their own property for any debts that their farming may incur.

Article 13 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

Article 3 of the Law of RM on Peasant Farms of 03.02.92
Article 24 of the Land Code of RM of 10.02.95
Article 29 of the Land Code of RM of 10.02.95
Article 5 of the Law of RM on Peasant Farms of 03.02.92
Article 29 of the Land Code of RM of 10.02.95
Article 7 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92
Article 14 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

1.2 Leaders

Those who want to become leaders lease land and/or property from one or more individuals. A leader may be a former member who withdrew land in the past to establish a peasant farm or other agricultural enterprise. A leader may operate any size farm, from several hectares to hundreds of hectares. (By contrast someone becoming an individual farmer would not be leasing land.) A leader may also come from other sectors; any other interested person (such as a social sphere worker) can become a leader, can form a new enterprise and can lease in land without being entitled to land of his or her own.

Those who want to become leaders should consider the following basic rights and responsibilities:

Rights

- Leaders decide for themselves how to farm the land in the most efficient manner that will bring the highest profit.
- Leaders hire the people they want.
- Leaders can plan the production process and sell the products individually.
- Leaders may expand the land they farm through purchase or leasing.
- Leaders have the right to profit from the land parcels and/or property they lease.

Article 15 of the Law of RM on Lease of 14.01.92

Article 6 of the Law of RM on Entrepreneurship of 03.01.92
Article 15 of the Law of RM on Lease of 14.01.92
Article 28 of the Land Code of RM of 10.02.95
Articles 1 and 6 of the Law of RM on Standard Price and Procedures for Buying and Selling Land of 26.07.97
Articles 257 and 561 of the Civil Code of RM of 26.12.64
Article 15 of the Law of RM on Lease of 14.01.92

Responsibilities

- Leaders must register their new enterprise. For more information about types of enterprises, registration of enterprises and laws regarding the same, see section VIII. Creation and Registration of New Enterprises.
- Leaders must farm their land otherwise they might lose the right to use it.
- Leaders are responsible for fulfilling lease agreements, labor agreements and other contracts.
- Leaders must observe agricultural requirements and farm the land in a manner that prevents soil erosion and does not damage the soil fertility.

Article 13 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

Article 25 of the Land Code of RM of 10.02.95

Article 7 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

Article 29 of the Land Code of RM of 10.02.95

- Leaders must pay all taxes in accordance with current legislation and the lease agreements.

Article 29 of the Land Code of RM of 10.02.95
Article 7 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

1.3 *Entrepreneurs*

There are many different opportunities for individuals (such as farm workers) to earn an income after the farm is dissolved; thus, each individual should consider all the work options available to him or her in the *future* as he/she considers what plans will be made. These options include, but are not limited to, leasing out their land and/or property, running a non-agriculturally related business or doing both. For example, an entrepreneur is a person who opens a new business. The entrepreneur can base the business on land and/or property or can use money to open the new business. An entrepreneur may also come from other sectors; any other interested person (such as a social sphere worker) can become an entrepreneur and form a new enterprise. For more information about types of enterprises, registration of enterprises and laws regarding the same, see section VIII. Creation and Registration of New Enterprises.

1.4 *Individuals who Lease Land and/or Property to Someone Else*

An individual may lease his land and/or property to another person and become a lessor. In this arrangement, the lessor will earn an income from his land and/or property. The lease payments can be made in cash, in-kind or a combination of the two. For more information about lease agreements, see Section IV, 3.3 Lease Agreements.

Article 3 of the Law of RM on Lease of 14.01.92

Article 9 of the Law of RM on Lease of 14.01.92

1.5 *Individuals who Sell or Give Away Their Land and/or Property*

Individuals have the right to sell or give away their land and/or property. They should think about this carefully because doing so means they will lose the right to own the land and/or property and the possibility of earning future income from them.

Articles 3 and 6 of the Law of RM on Standard Price and Procedures for Buying and Selling Land of 26.07.97
Article 257 of the Civil Code of RM of 26.12.64

If they still intend to sell or give away their land and/or property, they should first find out the demand for land and/or property and the realistic price for them.

1.6 *Individuals who do not Use Their Land and/or Property Shares*

Those people who do not use their land and/or property shares do not lose their right to own them. However, they do not receive land parcels or land title certificates.

2. **Individuals who Previously Received Land and/or Property**

The land already received by individuals who left the farm earlier is not included in the land fund, the amount of their land cannot be recalculated and the location and orientation of their land cannot be changed. If these individuals inherit land and/or property shares or receive them by gift, they will be able to participate in tenders only where these shares will be distributed.

Article 111 of the Law of RM on Amendments to the Land Code of 10.02.95

However, individuals who have already received land and/or property can participate in the land tender or property tender by becoming leaders and

representing other land and/or property share holders through proxies or proxy agreements.

3. Offers, Proxies, Proxy Agreements and Lease Agreements

3.1 Offers

An offer is the conditions of payment proposed by one person to another person for the use of land and/or property. A holder of land shares and/or property shares collects several verbal offers to determine realistic compensation for the use of the land and/or property he or she will receive.

Article 157 of the Civil Code of RM with commentaries of 26.12.64

3.2 Proxies and Proxy Agreements

A **proxy** is a written agreement that grants another person the right to represent an individual's interests in a land tender or property tender, but does not grant the right to use land and/or property. A proxy must be notarized by a state notary.

Article 66 of the Civil Code of RM of 26.12.64

A **proxy agreement** is a written agreement that grants an individual the right to represent another person at the land tender or property tender, but does not grant the right to use land and/or property. The proxy agreement does not have to be notarized by a state notary.

Article 413 of the Civil Code of RM of 26.12.64

Proxies and proxy agreements are not connected in any way with the lease agreements. (See Annex 4 for sample proxies.)

3.3 Lease Agreements

A lease agreement gives an individual the right to use land and/or property owned by another person. (According to the current legislation, land lease agreements become legal only after land owners have received the land title certificate and actually received land; property lease agreements become legal after property owners have received their property share certificate and actually received the property.) After land owners and/or property owners decide to whom they want to lease their land and/or property, they sign a lease agreement with this person. The two parties in a lease agreement are the lessor and lessee:

Article 2 of the Law of RM on Lease of 14.01.92
Article 21 of the Land Code of RM of 10.02.95

Law of RM on interpretation of Article 19 of the Law on Lease of 14.11.95

- A lessor leases his or her land and/or property *to* another person.
- A lessee leases land and/or property *from* someone else.

Both the lessor and the lessee have definite responsibilities that are governed by Moldovan law. Some considerations that both the lessor and the lessee should think about are:

- Both parties must trust each other.
- The duration of the lease agreement is legally binding and can only be altered by agreement of both parties. In addition, the lease agreement may specify the conditions under which a party may terminate the lease without the agreement of the other party. Unless the lease agreement provides that one party may terminate the lease without the agreement of the other party, it can be terminated only based on the decision of the court.

Article 16 of the Law of RM on Lease of 14.01.92

- A delay in transfer of usage right through the fault of the lessor, which caused losses to the lessee, gives the latter the right to claim compensation for losses at the expense of the lessor, including compensation through court procedures.
- The two parties may include in multi-year agreements a provision for the yearly renegotiation of the conditions of the lease payment and/or a provision for the yearly termination of the lease agreement, or termination of the agreement if the lessor's plans change.
- The lease payment conditions must be agreed upon by both parties. This payment can be made in cash, in-kind or a combination of the two as stipulated by the lessor and agreed to by lessee. The lease payment must be specified in the lease agreement, either as a fixed amount or as a percentage of the harvest, and cannot be determined at a later date. The calculation can be determined on the basis of cost of production of planned crop, anticipated yield (based on the land's yield history and soil fertility), anticipated market price at time of payment, demand for the land, and other relevant factors. The parties may revise the in-kind payment by mutual agreement if the weather conditions or other factors have dramatically reduced the output of crops grown on the leased parcel. A commission including the lessor, the lessee and three independent experts is formed for this purpose as agreed upon by the lessor and lessee. Redress through the courts is also possible should parties be unable to resolve disputes by themselves or through mediation.
- Regarding termination of the agreement and responsibilities of the parties:
 - The agreement conditions may be changed by the mutual consent of the parties;
 - The parties may terminate the agreement prior to its expiration by mutual consent of the parties;
 - The lessor may claim termination prior to the expiration of the terms of the agreement if the lessee fails to maintain and use the leased parcel of land in accordance with the present agreement; subleases the parcel to another party without the lessor's consent; uses the parcel irrationally or uses methods leading to deterioration of land quality; fails to pay the rent for more than three months after payment deadline; fails to use the parcel within two years.
- Redress through the courts is also possible should the parties be unable to resolve disputes by themselves or through mediation or if one party violates the lease agreement.

Articles 9 and 16 of the Law of RM on Lease of 14.01.92

Article 9 of the Law of RM on Lease of 14.01.92

Pursuant to Article 16 of the Law on Lease, the lease agreement (hereinafter referred to as "agreement") may be terminated prior to its expiration only by mutual consent of the parties to the agreement. In the event one party violates the provisions of the agreement, upon the claim of another party the agreement may be

terminated prior to its expiration term only on the basis of the court judgment.

Pursuant to Article 17 of the Law on Lease, the Lessor may claim termination of the agreement prior to expiration of its terms if the Lessee:

- fails to maintain and use the leased parcel in compliance with the agreement or its destination;
- deliberately or incautiously deteriorates the condition of the leased parcel;
- fails to pay the rent for three months after payment deadline, if the agreement does not say otherwise;
- subleases the parcel received to another party without the lessor's consent;
- uses the land parcel irrationally or applies methods resulting in the deterioration of the land quality;
- fails to use the land parcel subject for raising crops within a two-year period.

Pursuant to Article 18 of the Law on Lease, the Lessee may claim early termination of the agreement if the Lessor fails to transfer the land parcel in time. Lessee may also claim termination of the agreement in the event he becomes an invalid or is acknowledged physically disabled; or if he is charged for some delinquencies and the punishment deprives him of the possibility to continue fulfilling the provisions of the agreement.

In the event either the Lessor or Lessee unilaterally intends to terminate the agreement prior to its expiration and at least one party is an individual - citizen of Moldova, pursuant to Article 26 of the Civil Code of the Republic of Moldova (hereinafter "Civil Code") it is necessary to file an application on initiation of a legal suit with the respective court entity (regional, district or municipal court).

Pursuant to Article 118 of the Civil Code, the suit shall be filed with the court entity at the place of defendant's location (or his residential address). The suit initiated against a legal entity shall be filed with a particular court entity depending on the premises of the legal entity location.

Pursuant to Article 128 of the Civil Code, the suit shall contain the following mandatory information:

- name of the court entity where the suit will be filed;
- name of the plaintiff and his residential address; if the plaintiff is a legal entity - its place of location, as well as the name of its representative and its address if the suit is filed by the representative;
- name of the defendant and his/her residential address; in the event of a legal entity - its place of location;
- statement of the de facto and legal grounds for the suit, as well as legal proofs securing each claim stated in the application. If there is a need for witnesses' testimony, the suit should list the first and patronymic names of such persons and their residential addresses;
- claims filed by the plaintiff;

- stating the cost of the legal suit should it be possible to estimate the expenses for it;
- list of documents attached to the suit.

The suit shall be signed by the plaintiff or his/her representative. Power of attorney or any other document to confirm authorities granted to the representative shall be attached to the suit filed by the representative.

In the event the court refuses to accept and pursue the suit, pursuant to Articles 28/1, 279 and 302 of the Civil Code the Lessor or Lessee are entitled to appeal to the Tribunal Court.

In the event the Tribunal Court also refuses to accept the suit, pursuant to Article 302 of the Civil Code the Lessor and Lessee shall appeal to the Court of Appeals.

(For additional instructions and suggestions, see the sample lease agreements in Annex 5.)

Notes: The lease agreement can be modified at any time by mutual consent. Leasing gives the lessee only the right to use the land and/or property; it does not give ownership rights to the lessee. Lessees are not required to employ the owners of land and/or property. Employment agreements can be negotiated separately by mutual agreement of the lessor and lessee.

4. Polling to Identify Leaders

Administrators organize polls to help identify leaders—individuals who are trusted by the people.

Based on the answers to the survey, administrators compile a list of potential leaders and schedule a meeting for them (and anyone else interested) to explain the responsibilities of a leader. Former farm members who previously left the farm should be included as possible leaders. (See Annex 6 for a sample survey.)

Note: Any individual can become a leader as long as at least one individual is willing to lease land and/or property to him or her. An individual does not have to appear in the poll results in order to become a leader.

V(a). Preparation for Land Privatization

1. Land Commission

The land commission is made up of the following people:

- Commission chairman, who is either the mayor or deputy mayor
- Deputy commission chairman, a specialist in the agrarian reform department who is responsible for land use, surveying and soil protection
- Representative from the territorial agency of the Ministry of Privatization and State Property Administration
- Commission secretary, usually an office clerk
- Councilors from the mayor's office
- Lawyer of the farm being reorganized

Article 6 of the Land Code of RM of 10.02.95 Paragraph 4 of the Decision of the Government of RM on Approval of Regulation on Village, Town, City, District Land Commissions no. 130 of 02.03.92.

- Farm's specialist in production technology, land reclamation and soil protection, or village development and architecture
- Specialists in accounting, economics, and farm production planning

Should the land commission not be in place, it must be formed. The land commission is formed as explained in this citation from the Government Decision:

A village, town and city land commission is approved by a decision of the mayor's office advisors and the members of collective farm management body or staff of the state agricultural enterprise, requiring a two-thirds vote of said members. The commission may include 7-15 persons on parity basis, depending on volume and complexity of activities which have to be carried out, the area of territory, number of citizens, families, number of people eligible for land and other aspects of the future activities.

Paragraph 4 of the Decision of the Government of RM on Approval of Regulation on Village, Town, City, District Land Commissions no. 130 of 02.03.92.

The village, town and city land commission includes the: commission chairman, who is either the mayor or deputy mayor; deputy commission chairman, who is a specialist in agrarian reform particularly in regard to land use, surveying and soil protection; commission secretary, usually an office clerk; 2-3 advisors in the mayor's office; lawyer of the agricultural enterprise; enterprise's specialist in production technology, land reclamation and soil protection, village development and architecture; specialists in accounting, economics, and farm production planning.

The raion (district) and town land commissions (if town is subordinated to republican authorities) are created under the auspices of raion executive committees and mayors' offices and are approved by the decision of these bodies. It should include the specialists of the following raion and town services: commission chairman, who is either the deputy chairman of the raion executive authority or town deputy mayor; deputy commission chairman, the head of agrarian reform section of the department for agrarian industrial complex; commission secretary, a specialist of department for agro-industrial complex for land usage, surveying and soil protection service; specialist of department for the agro-industrial complex; specialist from the territorial agency of the Ministry of Privatization, specialist of state department for environmental protection and natural resources; specialist of department for architecture, city development and construction works supervision; specialist of soil science and agrochemical department.

Paragraph 7 of the Decision of the Government of RM on Approval of Regulation on Village, Town, City, District Land Commissions no. 130 of 02.03.92.

The land commission:

- Determines the surface area and location of land parcels subject to privatization or temporary use
- Accepts and registers applications for land
- Creates and makes a decision approving the land entitlement list, indicating whether the land share holder has a full or partial land share
- Requests all necessary documents confirming the right of applicants to receive land
- Participates in the examination of land surveying projects on determining land boundaries of communities, classification of land

Paragraph 9 of the Decision of the Government of RM on Approval of Regulation on Village, Town, City, District Land Commissions no. 130 of 02.03.92.

- by categories and determination of what land will be included in the land fund on the territory of a community
- Makes a decision on whether to exclude projected roads and projected anti-erosion elements from the land fund
- Makes a decision to revise land fund and revise the size of the full land share based on the revised land fund
- Makes decision approving the results of the land tender, including distribution of lots and reservation of land for deceased persons and entitled persons who have not filed applications to receive land
- Reviews the “grouping/arranging” lists prepared by the leaders and the mayor and submits these to the mayor for approval
- Submits final proposals and necessary documents to the mayor’s office
- Determines the procedure for the actual distribution of land to individuals based on the final decision of the mayor’s office
- Considers land disputes between land owners and submit proposals and all supporting documents to higher authorities (if needed) that will enable them to settle disputes
- Submits documents needed to settle disputes to higher authorities (land commissions of the raion executive committees, mayor’s offices in towns)
- Performs other duties according to the current land legislation and the Regulation on Village, Town, City and Raion Land Commissions

Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97

Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97

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Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97

2. Land Entitlement List

The land commission is responsible for compiling the list of individuals entitled to land shares. This list forms the basis of the distribution of land to its legal owners.

2.1 Criteria for Entitlement

Each person included in the land entitlement list must meet criteria specified in the Land Code of the Republic of Moldova. The following list describes who is entitled to land shares.

Note: All operations related to the allocation of land shares are performed on the basis of the demographic situation as of January 1, 1992.

Article 12 of the Land Code of RM of 10.02.95

1. Members and pensioners of kolkhoz, employees and pensioners of sovkhoz or other agricultural enterprises.
2. Employees and pensioners of organizations and enterprises who live in the area and are directly engaged in construction works and use of land reclamation systems and improvement of soil fertility in the respective locality.
3. Residents of rural areas, who were transferred from agricultural enterprises to kolkhoz and inter-enterprise construction and transportation organizations, including pensioners thereof.
4. Employees and pensioners of inter-enterprise cattle-breeding farms.

5. Persons holding an elective office or drafted into the army, who previously worked in the agricultural enterprise.
6. Persons who have worked in the agricultural enterprise of the respective locality: men for 25 years and women for 20 years.
7. Veterans of World War II and other military service overseas; and families of those who have died as a result of defending Moldova's territorial integrity and independence. All participants must reside in rural areas.
8. Rural residents who have suffered under political oppression and have been subsequently rehabilitated.
9. Persons who have transferred their land to collective farms, but who do not work therein.

Up to 50 percent of the value of a land share determined for a specific administrative and territorial unit is allocated to:

Article 12 of the Land Code of RM of 10.02.95

1. Persons indicated in Article 12, paragraph 4, sub-paragraphs 2-6 of the Land Code who have worked in industrial enterprises and other non-agricultural businesses, organizations and institutions, but who have been employed in an agricultural company for fewer than five years.
2. Rural residents engaged in the social area with the length of service (men at least 25 years and women at least 20 years), who have lost the capability to work in their field of specialization due to age or illness and whose family members are not eligible to receive land shares.

2.2 *Revision and Public Review*

The land commission revises the list, correcting and verifying information and adding any new individuals entitled to land but who were not initially included. The land commission posts the entitlement list on the farm's bulletin boards so that individuals can review the list, see if they are included and check that their identity card information and the size of their land shares (in percent) are correct. The land commission makes all changes that are required by the current legislation.

2.3 *Individuals who Already Have Received Land*

The land entitlement list contains the names of individuals who have already received land. Their land cannot be distributed again and the location and orientation of their land parcels cannot be changed. Such individuals are entitled to receive land title certificates if they did not receive them in the past.

Article III of the Law of RM on Amendments to the Land Code of 10.02.95
Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97

2.4 *Dead Persons*

If a person who is entitled to a land share dies after January 1, 1992, his right to a land share passes to inheritors.

Article 12 of the Land Code of RM of 10.02.95

If the deceased left a will, his land share is inherited by the person(s) specified in the will who received the certificate(s) of inheritance from the notary.

Articles 568 and 591 of the Civil Code of RM of 26.12.64

Articles 566 and 591 of the Civil Code of RM of 26.12.64

If the deceased person did not leave a will, the legal inheritor(s) are determined according to the law based on the order of the inheritor(s). They are required to get their certificates of inheritance from the notary.

Thus, if the inheritor(s) of the deceased person received a bequest and legalized their rights, the name of the deceased person is removed from the entitlement list. If the inheritor(s) were not included in the list, their names are added to the list and their land share will be equal to that of the deceased person's. If the inheritor(s) are on the list, their land share will increase by the amount of the inherited land share(s).

In cases when inheritor(s) of the deceased person received the bequest, but did not receive certificate(s) of inheritance, the name of the deceased person will remain of the list until the inheritor(s) receive certificate(s) of inheritance.

Article 581 of the Civil Code of RM of 26.12.64

3. Land Fund

3.1 Land Inventory

At the same time that land entitlement lists are being prepared, a surveyor authorized by the mayor's office measures applicable lands in the land fund to correct the land inventory of the land fund.

Paragraph 9 of the Regulation on Village, Town, City and District Land Commissions as approved by the Decision of the Government of RM no. 130 of 02.03.92
Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97
Article 12 of the Land Code of RM of 10.02.95

In the past, the land commission should have made one or more decisions to identify land that will be held by the public within an administrative and territorial unit. In addition to existing roads, such land may include:

- Up to 5 percent of the agricultural land for the social development of the community
- A specific amount of land for public pastures
- Very poor quality land (such as swamp or salt-damaged land)

Monasteries, convents and the principal administration of the church can hold up to 5 hectares of land.

Article 12 of the Land Code of RM of 10.02.95

In addition, the land commission may decide to make decisions to exclude projected roads or anti-erosion elements.

Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97

The difference between all land within an administrative and territorial unit and the area of publicly held land constitutes the land fund.

Article 12 of the Land Code of RM of 10.02.95

3.2 Subtracting the Land of Individuals who Have Already Received Land

If some individuals have already taken their land pursuant to the mayor's office decision, this land should already have been excluded from the land fund. Although such land is not part of the land fund, the surveyor must nevertheless measure such land if the land received by the individuals is not included in an existing land arrangement project. The surveyor must conduct such measurements in order to include these individuals in the program to receive land title certificates.

Article III of the Law of RM on Amendments to the Land Code of 10.02.95

3.3 Preparation of Preliminary Land Arrangement Project

Based upon the decisions of the land commission described in section 3.1, the surveyor will prepare the cartographic basis to be used for preparation of the preliminary land arrangement project. The surveyor will then project access

Provisional Instructions on Preparing Land Arrangement Projects, MD-36-02-03-97 of 09.12.97

roads and anti-erosion elements, as necessary, for each arable field and each land with perennial crops.

Before projecting roads and anti-erosion elements, the surveyor and the land commission must meet to discuss the soil fertility of arable fields in the land fund as reflected in the official government soil surveys. If there are large differences in the soil surveys for soil fertility of arable fields in the land fund, the land commission instructs the surveyor to prepare a list of better quality arable land and worse quality arable land. The surveyor and the land commission then meet to discuss whether it is appropriate for the surveyor to divide any arable fields into smaller arable fields so that these fields can later, if necessary, be included in separate lots during the formation of lots. The surveyor and the land commission must address this issue at this stage because the division of fields will affect the projection of road and anti-erosion elements during preparation of the preliminary land arrangement project.

After preparing the preliminary land arrangement project, the surveyor then calculates the surface area of land available for privatization in each arable field and each land with perennial crops. In calculating these surface areas, the surveyor will exclude the surface area of any projected roads or projected anti-erosion elements which the land commission has excluded from the land fund. The surveyor then adds these figures to determine the total surface area of the land fund in hectares.

Provisional Instructions on Preparing Land Arrangement Projects, MID-36-02-03-97 of 09.12.97

Using existing soil maps, the surveyor calculates the hectare-points contained in each arable field and each land with perennial crops contained in the land fund (again excluding any areas excluded by the land commission). The surveyor submits a table to the land commission indicating the surface area and hectare-points available for privatization in each arable field and each land with perennial crops, and adds these figures to determine the total size of the land fund in point hectares.

Provisional Instructions on Preparing Land Arrangement Projects, MID-36-02-03-97 of 09.12.97

3.4 Approval of the Land Fund

Based upon calculations provided by the surveyor in section 3.3, the land commission makes a decision approving the amount of land to be included in the land fund and the land reserved for public access roads and public anti-erosion elements.

Provisional Instructions on Preparing Land Arrangement Projects, MID-36-02-03-97 of 09.12.97

4. Determining Land Share Value

4.1 Land Value

To distribute the land fund to eligible individuals in a legal manner, the land commission ensures that every land share has the same value.

The land commission uses only official data on fertility as determined by previous government surveys that divided the agricultural land into sections that were subsequently assigned a certain number of soil fertility points. After the land commission learns how many total hectare-points are available, it then determines how many hectare-points are assigned to each land share. (See Annex 8 for a sample Calculation of the Value of Land to be Privatized.)

Paragraph 9 of the Decision of the Government of RM on Approval of Regulation on Village, Town, City and District Land Commissions no. 130 of 02.03.92.

4.2 Hectare-Point Value Per Land Share

The aggregate value of all land shares equals the value (expressed in hectare-points) of all the land to be privatized. All full land shares are equal in value to each other. People who are entitled to partial land shares will receive fewer hectare-points. (See Annex 9 Calculation of Land Share Value for an example.)

The total value of each land share can usually be split into three parts:

- Value in hectare-points of land with vineyards
- Value in hectare-points of land with orchards (other perennial crops)
- Value in hectare-points of arable land (if there are large differences in the soil fertility of arable fields, individuals may receive two arable parcels)

Thus, each person eligible to receive land is entitled to a certain number of hectare-points of land with vineyards, a certain number of hectare-points of land with of orchards (other perennial crops) and a certain number of hectare-points of arable land. (An example of a Calculation of Land Share Value with Multiple Types of Land is listed as Annex 10.)

5. Results of the Work of the Land Commission

The land commission approves the land entitlement list, the land fund, and the revised calculation of the size of land shares, and records its decision in the minutes. All commission members must sign the minutes. The land entitlement list should be attached to the minutes and signed by the land commission chairman and secretary. The list must be bound and stamped with the mayor's office seal according to the rules of clerical work.

Article 12 of the Land Code of RM of 10.02.95 Paragraph 12 of the Decision of the Government of RM on Approval of Regulation on Village, Town, City, District Land Commissions no. 130 of 02.03.92.

6. Issuance of Land Share Certificates

The mayor's office confirms the ownership right to a land share by issuing land share certificates, according to Moldovan legislation.

Article 12 of the Land Code of RM of 10.02.95

If a land share holder previously received a land share certificate, there's no need to issue him or her another one. However, if there are significant changes in the land entitlement list, the land commission recalculates the size of land shares and prepares a list showing the revised shares. (It is not necessary; to issue revised certificates.) If a dispute arises that cannot be solved, the dispute should be solved in the courts.

Article III of the Law of RM on Amendments to the Land Code of 10.02.95

The mayor's office keeps any land shares that are not claimed until such time as a claimant appears.

Sample Land Share Certificate

**Republic of
Moldova**

**LAND SHARE
CERTIFICATE**

Seal

Annex to the decision of the Government of the Republic of Moldova №449 of 29.06.92

Decision of the Government of RM on Approval of Standard Forms of Documents Certifying the Right to Holding and Using Land (with annexes) no. 449 of 29.06.92 as amended and modified on 09.08.93.

CERTIFICATE no. _____

Individual _____
(last name, first name, middle name)

member of _____,
(name and location of enterprise)

Republic of Moldova in accordance with _____,
(name of organization making decisions)

on “__” _____ 199__ no. ____
confirming the right to own an equivalent land share with a total hectare value of __ ha, with _____ points.

Mayor _____
(last name, first name, middle name)

Signature
“ _____ ”

Note: In fact the land allocated is based on the size of the land share adjusted at the moment of its distribution.

7. Formation of Lots on Preliminary Project

After the surveyor completes the preliminary land arrangement project and the land commission makes its decision to revise the value of the land shares, the land commission meets with the leaders to discuss how the land described in the preliminary land arrangement project should be divided into lots.

The following *basic criteria* must be applied to the formation of lots:

- All leaders and the representatives of any individual farmers should participate in the meeting to determine how the land fund will be divided into lots.
- To the extent possible, each lot containing arable land should include a proportionate share of poorer quality arable land and a proportionate share of better quality arable land.
- Lot formation must be based on land subject to privatization (the land fund).
- The value of all land included in the lots should equal the sum of hectare-points held by all land share holders.
- If a crop-rotation field consists of several land sections, each section may form a different lot.
- Lots should be grouped in compliance with projected anti-erosion schemes and projected roads on the preliminary land arrangement project
- Land sections separated by roads or other artificial or natural boundaries can form different lots.

8. Information Needed for the Land Tender

To ensure the fairness of the tender process, the land commission posts at the earliest possible date all documents that will be needed by the tender participants, including:

- A map that illustrates the boundaries of the lots to be distributed. The recommended scale is 1:10,000 or greater.
- The list of lots scheduled for distribution, including their location, number of full land shares in the lot, hectare size, number of hectare-points, and the estimated value of property connected to the lots. (For a sample Published Lot Description, see Annex 11.)

The land commission posts the documents on the information bulletin boards and in other locations at the farm and village.

V(b). Preparation for Property Distribution

At the same time that the land commission prepares for the land tender, the property commission performs tasks required for the property tender.

1. Property Commission

Administrators should inform farm members who the members of the property commission are. The property commission has 7 to 15 members, depending on the amount of work to be done. The commission includes:

Paragraph 4 of the Regulation on Commission for Privatization of Farm Property approved by the Decision of the Government of RM no.361 of 10.05.93

- Representative from the territorial agency of the Ministry of Privatization and State Property Administration
- Representative from the territorial agency of the Ministry of Agriculture and Food
- Representative from the local public authorities
- Representative from the bank that services the farm (with the approval of the bank management)
- Representative from the farm itself

The commission chairman is appointed (and dismissed) by the Ministry of Privatization and State Property Administration, the Ministry of Agriculture and Food and the local public authorities.

Should the property commission not be in place, it must be formed. The property commission is formed as explained in this citation from the Government Decision:

The commission is set up by decision of the Ministry of Privatization and local governments upon the agreement with territorial agencies of the Ministry of Agriculture and Food Industry and farm administration. Each farm creates a separate commission.

Paragraph 3 of the Regulation on Commission for Privatization of Farm Property approved by the Decision of the Government of RM no.361 of 10.06.93

The property commission:

- Performs inventory and appraisal of farm property subject to privatization according to the current legislation.
- Submits inventory and appraisal results to the general meeting of farm employees and pensioners for approval.
- Develops methods for calculating property share value and for actual distribution of property to farm employees and pensioners.
- Calculates individual property shares of farm employees and pensioners and registers them in the minutes, copies of which are sent to the mayor's office, farm director and territorial agency of the Ministry of Privatization and State Property Administration.
- Based on individual applications for property, fills in property share certificates that should be signed by the director of the territorial agency of the Ministry of Privatization and State Property Administration according to the model, and makes corresponding records in a property share issuance register.

Article 33 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

2. **Compiling the Property Entitlement List**

The property commission is responsible for preparing the list of individuals who are entitled to property shares. Former members who withdrew land from the farm, but who did not yet receive property shall be included in the property entitlement list and invited to participate in distribution of property. This list is the basis for the distribution of property.

2.1 *Criteria for Entitlement*

According to the current legislation, the following people are entitled to a share of the property:

Article 35 of the Law of RM on Privatization for 1997-1998 of 25.06.97

1. Farm employees, including those hired after January 1, 1992 (prior to the date when the legal status of the farm was changed) and farm pensioners regardless of their retirement date. This group

includes former members who withdrew land from the farm, but who did not receive property.

2. Former farm employees, who left the farm prior to January 1, 1992, teachers, medical workers, social and cultural sphere employees who live on the farm.

2.2 *Revision and Public Review*

The property commission revises the list, correcting and verifying information and adding any new individuals who are entitled to property but who were not initially included. The property commission posts the property entitlement list on the farm's bulletin boards so the farm members and former farm members can review the list, see if they are included and check that their identity card data and information used for calculating the property share are correct.

2.3 *Individuals who Already Have Received Property*

The property commission maintains a separate list of farm members who have already received property. These individuals can participate in the property tender only as representatives of other people.

2.4 *Dead Persons*

If a person who is entitled to a property share dies after January 1, 1992, his right to a property share passes to others.

Article 28 of the Law of RM on Privatization for 1997-1998 of 25.06.97

If the deceased left a will, his property share is inherited by the person(s) specified in the will who received the certificate(s) of inheritance from the notary.

Articles 568 and 591 of the Civil Code of RM of 26.12.64

If the deceased person did not leave a will, property shares can be inherited according to the law based on the order of the inheritor(s). They are required to get their certificates of inheritance from the notary.

Articles 566 and 591 of the Civil Code of RM of 26.12.64

Thus, if the inheritor(s) of the deceased person received a bequest and legalized their rights, the name of the deceased person is removed from the entitlement list. If the inheritor(s) were not included in the list, their names are added to the list and their property share value will be equal to that of the deceased person's. If the inheritor(s) are on the list, their property share will increase by the value of the inherited property share(s).

In cases when inheritor(s) of the deceased person received the bequest, but did not receive certificate(s) of inheritance, the name of the deceased person will remain of the list until the inheritor(s) receive certificate(s) of inheritance.

Article 581 of the Civil Code of RM of 26.12.64

2.5 *Finalization of the Property Entitlement List*

The property commission includes the results of its work compiling the property entitlement list in its meeting minutes. The final list must include the total numbers by group of property share holders (separate totals for farm employees, pensioners, social sphere workers, former farm employees, inheritors of deceased people etc.).

Paragraph 4 of the Decision of the Government of RM on Approval of Regulations on Commission for Privatization of Farm Property no. 361 of 10.06.93

After the property commission compiles the list, the chairman and secretary sign the list. The list then must be bound and stamped with the farm's seal according to the rules of clerical work.

3. Property Inventory

Before determining the appraised value of the farm's property fund, it is necessary to perform the inventory of the farm's assets included in its balance sheet. To conduct the property inventory, the central inventory commission is established. This commission is either appointed or elected depending on the legal form of the farm. The members of the inventory commission include:

- Farm director
- Chief accountant of the farm
- Farm's chief specialists (chief agronomist, chief engineer, etc.)
- Members of the auditing commission

The farm management has to approve the commission by a resolution. If necessary, the resolution or decree also creates central inventory commissions for separate production units and indicates the schedule for the inventory and the deadline for delivering inventory reports to the central inventory commission.

The property inventory starts on the date set by the farm management, and it is completed by the end of the current quarter.

Members of the central inventory commission reconcile accounting records with the de facto property (that actually exists) and determine the physical condition of some particular types of property included in it.

Fixed assets' inventory establishes the rate (percentage) of physical depreciation of each type of property based on its general condition or technical condition of its key components (pieces of equipment, spare parts, sub-units) as well as the list of fixed assets that can not be used any longer and should be classified as losses. In case of equipment to be installed and unfinished constructions the physical condition of each type of property shall be determined.

The rate for the maintenance of basic qualities of each type of property is determined by the inventory of current assets, while some groups of supplies that cannot be used any longer shall be charged to losses.

Property inventory and classifying of some assets as losses shall be carried out in compliance with the Moldovan legislation.

After it receives the inventory reports from each inventory commission, the central inventory commission prepares the statement of reconciliation of inventory results with the records in accounting books. The inventory results shall be reflected in the quarterly balance sheet and approved by the respective central state agency.

3.1 Property Commission Examination of the Inventory Results

After the inventory commission completes its work, the property commission shall compile the following documents and present them to the general meeting:

Annex 6 to the Government Decision of RM on Implementation of the Law on Privatization Program for 1997-1998 no. 1056 of 12.11.97

- Order on conducting property inventory with the annexed decision to create the central inventory commission
- Minutes of the inventory commission meeting signed by its members and property commission members
- Quarterly balance sheet approved by the respective central state agency with Annexes
- Reconciliation statement of the balance sheet (balance of each account is compared with the analytical data in accounting books)
- Inventory statement of fixed assets, equipment to be installed, unfinished constructions
- Reconciliation statement of accounts payable and receivable (date when they occurred)
- Inventory statement of long-term and short-term financial investments
- Reconciliation statement of expenses and accounts that represent stocks and supplies with the analytical accounting records kept by accountants with physical inventory responsibilities
- Break-down of special funds
- Reconciliation statement of settlements with the budget and the social fund
- Reconciliation statement of the Book of proxies
- List of accountants and their responsibilities
- List of farm's accountants with physical inventory responsibilities
- Explanatory note (additional information to be disclosed in detail)

4. Appraisal of Property

Based on the property inventory statements, the property commission appraises the farm's property fund as of the inventory completion date, taking into account the market value of some particular types of intangible, financial, fixed and current assets and their actual physical condition.

Annex 6 to the Government Decision of RM on Implementation of the Law on Privatization Program for 1997-1998 no. 1056 of 12.11.97

- **Determination of the appraised value of fixed and intangible assets.**
The following assets should be appraised: buildings, structures, communication lines, machinery, equipment, vehicles, livestock, perennial crops, intangibles etc. Accounting records, calculations and standards necessary to determine the appraised value of fixed and intangible assets, should be included in the **Statement of Appraised Value of Fixed and Intangible Assets** that is considered the basic primary accounting document for these categories of assets (for sample statement see Annex 12).
- **Determination of the appraised value of equipment to be installed, unfinished constructions and other non-current assets.**
The following shall be appraised: technical, energy-supply and manufacturing equipment to be installed, unfinished constructions. Accounting records, calculations and standards necessary to determine the appraised value of these assets and other non-current assets, should be included in the **Statement of Appraised Value of Equipment to be Installed, Unfinished**

Constructions and Other Non-Current Assets that is considered the basic primary accounting document for these categories of assets (for sample statement see Annex 13).

- **Determination of the appraised value of current assets.**

The following assets shall be appraised: production stocks and supplies, low-value and short- life items, finished products and goods, work in progress, deferred expenses and other similar assets and expenses related to the current assets. Accounting records, calculations and standards necessary to determine the appraised value of these assets, should be included in the Statement of Appraised Value of Current Assets that is considered the basic primary accounting document for these categories of assets (for sample statement see Annex 14).

- **Appraisal of current financial assets and liabilities.**

The following shall be appraised: long-term financial investments, as well as current assets and liabilities the value of which is reflected in the corresponding farm's balance sheet items. Accounting records, calculations and standards necessary to determine the appraised value of these assets and liabilities should be included in the Statement of Appraised Value of Financial Assets and Liabilities that is considered the basic primary accounting document for these assets and liabilities (for sample statement see Annex 15).

After the value of the property fund has been appraised, members of the property commission shall sign the primary documents on appraisal of farm's property.

Based on these primary documents on appraisal of some particular types of property, the property commission will draw up the respective Statements on Appraisal of Property (by categories) according to samples provided in the following Annexes: Annex 16 "**Statement of the Appraised Value of Fixed Assets and Intangibles**", Annex 17 "**Statement of the Appraised Value of Equipment to be Installed, Unfinished Constructions and Other Non-Current Assets**" and Annex 18 "**Statement of the Appraised Value Current Assets**".

The property commission uses all the aforementioned documents to draw up the **Consolidated Statement of Appraised Value of Assets** (Annex 19), and signs it.

The procedure for completing the documents on the appraised value of the farm's property fund (Annexes 12 to 19) is established by the Ministry of Privatization and State Property Administration. The property commission signs the above-mentioned Statements and submits them to the general meeting of farm employees and pensioners for approval.

Financial, disciplinary, administrative and penal charges are brought against members of the property commission, farm director, chief accountant and other farm's officials in case of inappropriate inventory and inaccurate data on appraisal of assets and liabilities provided in the above mentioned statements.

4.1 *Compilation of Lists of Social Sphere Facilities to Be Transferred to the Local Public Authorities*

The property commission compiles the list of social sphere facilities, which must state the appraised value of each facility as well as the total value of the facilities. At the general meeting of farm employees and pensioners, a decision is made on the full or partial transfer of social sphere facilities and housing to the balance sheet of the local public authorities. Any facilities not transferred to the balance sheet of the local public administration authorities are included in the property fund.

Article 35 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

If housing is not transferred to the balance sheet of the local public administration authorities, its value is included in the property fund. This housing can be privatized by the individual, to whom it was legally allocated, and who dwell in it. If these individuals are entitled to a share of farm property and are either farm employees or pensioners, they can pay the amount that equals the value of housing determined as of the date of property share value calculation and its inclusion in the property fund using their property shares. No approval of the general meeting is required. If these individuals are not farm employees or pensioners, they can privatize the housing at its appraised or market value or receive it free of charge according to the decision of the general meeting of farm employees and pensioners.

Article 35 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

The property commission prepares a bill of transfer of social sphere facilities and technical infrastructure to the balance sheet of the local public authorities if farm employees and pensioners approve the transfer at the general meeting.

4.2 *List of Assets Used for Covering the Farm's Debts*

The property commission draws up a list of assets that will be used to cover the farm's debts. Any asset from the farm may be included in this list, but the farm's shares in processing enterprises, cash and receivables should primarily be added to the list. The total of this list must comply with the "Liabilities" side of the statement of appraised value of financial assets.

4.3 *Appraised Value of Farm Property Subject to Reorganization*

After compiling the list of assets that will be used to cover the farm's debts and the list of social sphere facilities, the property commission determines the value of the property fund. The value of social sphere facilities transferred to the local public authorities is deducted from the total value of the property fund.

4.4 *Determination of Property Shares (in Percentage) to be Granted to Former Farm Employees and Social Sphere Workers*

At the general meeting, farm employees and pensioners set aside a percentage of property to be distributed among former farm employees and social sphere workers residing on the farm based on proposals of the property commission.

Article 34 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

4.5 *Calculation of the Suppliers' Property Shares*

In compliance with Moldovan law, the property commission calculates suppliers' property shares on farms that possess processing units, wineries or canning operations.

Annex to the Decision of the Government of RM Methodology for determining property share of suppliers in processing enterprises included in the balance sheet of farms, and a portion of stock given to them from the stock of state processing enterprises of the agroindustrial complex when they are privatized no. 600 of 02.09.93

The supplier's share is calculated on the basis of reconciliation statements of the amount (cost) of raw materials supplied by legal entities and individuals who supplied raw materials valued at more than 10,000 lei annually. The calculation period is not less than five years prior to 01.01.92 because the prices of raw materials were steady and constant until then.

The calculation is performed according to Moldovan law and is approved by the property commission. The reconciliation statements of raw materials' value signed by the suppliers, bound and sealed according to the rules of clerical work.

The suppliers' property share certificates are written on the basis of the share calculation. The calculation with the attached statements and the property share certificates are approved by the territorial agency of the Ministry of Privatization and State Property Administration together with the set of property reorganization documents.

5. General Meeting of Farm Employees and Pensioners

After the property commission finishes its preparatory work, the farm holds the general meeting of farm employees and pensioners. This meeting approves the property commission's work. The exact percentage of farm employees and pensioners who need to be present for the meeting to occur varies according to the farm's type of enterprise. (For sample meeting minutes, see Annex 20.)

Article 34 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

5.1 Announcement About the Meeting

The property commission is responsible for announcing the time, date, agenda and location of the general meeting.

5.2 Required Agenda Items

At the general meeting, farm employees and pensioners:

- Approve the results of inventory and appraisal of assets.
- Establish the procedure for subsequent use of social sphere facilities.
- Approve the appraised value of property subject to privatization.
- Approve method for calculating property share value and for actual distribution of property to farm employees and pensioners.
- Approve the list and appraised value of assets that will be used to cover debts.
- Determine property share value (in percentage) of farm employees and pensioners.
- Determine property share value (in percentage) of former farm employees and social sphere workers residing on the farm.

Article 34 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

At the meeting, the property commission also may suggest to discuss the different legal types of farming provided by the Moldovan laws.

6. Calculation of Property Shares

After farm employees and pensioners approve the property commission's method for calculating property shares and its other work, the property commission begins calculating the value of the property shares.

Article 33 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

Different individuals receive property shares of differing values depending on the criteria established by the general meeting of farm employees and pensioners. The calculation of property shares of each farm employee and pensioner may be based on the value of property per one year of service, or one man-day, or one leu earned or a combination of all of the above. (See Annex 21 for a sample Property Share Calculation.) Regardless of the method established by the property commission, it must be approved by the farm employees and pensioners at the general meeting.

The value of property per one year of service, per man-day or one leu earned is determined by dividing the value of property subject to privatization by the total number of years worked, by the total number of man-days or by the total amount of wage earned (accrued).

Article 36 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

An individual's property share is determined by multiplying the quotient by the number of years or days worked by each individual respectively, or by his/her accrued wage amount. The product will equal the individual's property share value.

The calculated information must be presented as shown in the Computation of Property Shares of People Entitled to a Property Share by Group of Assets (Annex 22). The totals in every group of assets must correspond to the totals in consolidated statement on property appraisal (Annexes 12-19).

The share of property that former employees and social sphere employees receive is determined by the property commission. The commission can make a decision based on the length of service and money earned and on the share of assets specifically set aside for this category by farm members at the general meeting.

7. Approval, Registration and Issuance of Property Share Certificates

All calculations done by the property commission should be recorded in the minutes of the meeting and should be approved by the territorial agency of the Ministry of Privatization and State Property Administration. Additionally, the following documents are submitted by the property commission to the territorial agency:

Article 33 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

1. Excerpt from the minutes of the general meeting of farm employees and pensioners. (Property share calculation methods and the actual allocation method are attached to the excerpt.)
2. The balance sheet of the farm (approved by the financial office).
3. Statements on appraisal of property.
4. Property entitlement lists.

Decision of the Government of RM on Implementation of the Law on Privatization Program for 1997-1998 no. 1056 of 12.11.97

The territorial agency of the Ministry of Privatization and State Property Administration reviews and approves the calculations. Then the director of the territorial agency signs the property share certificates. The property commission determines when and where the property share certificates will be distributed. When individuals receive their certificate, they sign the corresponding register.

The following is a sample property share certificate.

Approved by the order of the Ministry
of Justice of the Republic of Moldova
on 19 January 1994 no.5

REPUBLIC OF MOLDOVA

**CERTIFICATE
OF
PROPERTY**

1998

REPUBLIC OF MOLDOVA

**CERTIFICATE
of property**

No. _____ Code _____

Territorial Agency _____ of the Ministry of Privatization and State
Property Administration certifies the right of property on property shares
in the amount of _____ lei

_____ (in number and written out)
of the farm's property _____

_____ (name of the farm)

located in _____

_____ (village, town, city, raion)

that belongs _____

_____ (owner's last name, first name and middle name)

with the right of private property.

The present certificate is issued based on the decision of the Property
Commission of the farm: _____

_____ (Farm name)

Minutes no. _____ of " _____ " _____ 199__

Director of
Territorial Agency _____

_____ (signature)

_____ (last name, first name, middle name)

" _____ " _____ 199__

8. Development of Cost Standards

The property commission establishes a "cost standard" for each type of asset that will be physically distributed. The cost standard determines, for allocation purposes, the distribution ratio for the tender and does not reflect the actual value of the asset. The cost standard is calculated by dividing the total value of a certain group of assets in the property fund by the number of units in that asset group. (An example table of cost standards is found in Annex 23.)

Article 33 of the Law of
RM on Privatization
Program for 1997-1998
of 25.06.97

The cost standard table in the Annex should only be used as a guideline. The property commission ensures that the units on which the cost standards are based are self-sustaining, self-contained pieces of property that can be utilized without other units after the privatization and reorganization process.

However, there are assets where it is more difficult to determine what the ideal unit should be. As shown in Annex 23, buildings are divided up according to square meters. Each person can thus, in theory, be allocated one square meter of a building. The property commission may find a better solution such as making each room in a building a separate item.

Stage 3: Land and Property Distribution

VI(a). Land Tender and Allocation of Parcels

The land commission works with the property commission to conduct the tender allocating land lots and property connected to land (such as vineyards, trellises, orchards, berry plantations, irrigation systems, etc.). At the same time, the property commission prepares for the property tender, which occurs soon after the land tender. (For more information about the property commission's work, see Section VI(b). Property Tender.)

1. Preparing for the Land Tender

1.1 Applications for Land

The land commission should inform individuals about the rules, the date, time and location of the tender in advance.

After receiving their land share certificates, individuals must submit an application for land to the mayor's office. By law, if they do not apply for their land, they cannot receive land.

Article 13 of the Land
Code of RM of 10.02.95

The mayor's office keeps the applications and checks them against the land share issuance register.

1.2 Preliminary Lot Identification

The land commission ensures that the land distribution tender runs smoothly. After consulting with leaders, the land commission decides how many lots will be distributed at the tender and how the lots will be formed in the preliminary land arrangement project. (The process is simplified if all individual participants in the tender are grouped together. However, an individual is also free to ask any leader to be included in his or her lot. Leaders have the right to refuse.)

Additionally, land with property connected to it (including orchards, vineyards, trellises, irrigation systems, etc.) must be allocated with its connected property. Therefore, an individual applying for a lot (parcel) with property connected to it must have sufficient property shares to be able to receive the land. The individual can get additional property shares by gift, lease or purchase.

Each leader must present a "grouping/arranging" list for each arable field and each land with perennial crops in his or her lot.

Provisional Instructions
on Preparing Land
Arrangement Projects,
MD-36-02-03-97 of
09.12.97

1.3 Applications for Participation in the Land Tender

After the surveyor and members of the land commission mark the lots on the map, the leaders and individual participants make a formal tender application. (See Annex 24 for application samples.) Participants state in their application which lots they wish to claim.

A leader must attach the following documents to the application:

- List of land share holders he or she intends to represent at the land tender grouped according to how they want to be organized in the lot
- Proxies or proxy agreements of land share holders
- Land share certificates of land share holders
- Property share certificates of land share holders
- List of property share holders he or she intends to represent at the land tender
- Proxies or proxy agreements from property share holders he or she intends to represent at the land tender
- Certificate(s) of inheritance if the leader represents the inheritors of dead persons who received the land share and/or property share certificates before dying

An individual participant must attach the following documents to the tender application:

- Application to the mayor's office to receive land
- Land share certificate
- Property share certificate
- Certificate(s) of inheritance if the individual participant inherited the land share and/or property share certificate(s) of a dead person who received the share(s) before dying

Applicants must deliver their applications to the land commission before the land tender. During the week following submission of applications, commission members verify that each applicant has submitted all necessary documents required for the tender. The commissions ensure the applications are accurate and complete. Generally, the applicant may not apply to receive more than the total of the collected hectare-points. However, if the applicant possesses or represents less than 10% of the total land shares on the farm, the land commission may allow the applicant to apply to receive the total of the collected hectare-points from multiple locations.

Before the tender, each participant should: make sure that his or her application has been accepted; find out the date, time and location of the tender; and learn about the tender rules.

1.4 Memorandum on Contested Lots

Before the land tender, the land commission writes a memorandum that describes the method that will be used for deciding how to distribute lots that have been claimed by more than one participant. The land commission is free to decide on its own method.

All tender participants should read the memorandum. (See Annex 25 for a sample memorandum.)

1.5 Individual Participants in the Land Tender

Individuals who represent themselves or who join together as a group for the tender have the same rights as leaders selecting land lots. Special attention should be given to individual participants to ensure that their interests are not ignored in favor of leaders who represent large numbers of land share holders

and/or property share holders. Individuals may even be given first chance to select parcels or lots, provided that they agree to receive parcels on the margins of a lot and not in the center.

2. Conducting the Land Tender

The tender begins when the chairman of the land commission announces the tender rules. Then he gives a quantitative and qualitative description of each lot and announces the claimants. The distribution of lots is registered during the tender. Minutes of the tender are drawn up and signed by the chairman and members of the land commission and tender participants.

If all paperwork is in order, uncontested lots are automatically awarded to the claimant.

After the uncontested lots are allocated, the lots with more than one claimant are tendered. The commissions award the disputed lot to the participant who best satisfies the commissions' requirements established in the memorandum before the tender.

2.1 Completion of Land Tender Documents

The land commission completes the following documents after the lots have been distributed:

- The minutes of the meeting of the land commission (Annex 26)
- For each leader, relevant excerpts from the minutes of the meeting of the land commission showing the lot number awarded to that leader (Annex 27)
- The table of land shares held by persons represented by each leader, individuals who withdrew land previously, individuals who participated in the tender, and persons who did not submit applications for the tender (Annex 26)
- The preliminary land arrangement project at a 1:10,000 scale showing the location of each lot
- The table prepared by the surveyor showing the surface area, total number of hectare-points and the total number of full land shares that will fit on each arable field and each land with perennial crops.
- The approved grouping/arranging lists prepared and submitted by the leaders and the mayor

After the tender, leaders submit the following documents to the mayor's office:

- Copy of excerpt from the minutes of the meeting of the land commission showing the lot number awarded to each individual
- List of people entrusting leaders with their land shares, including their identity card data, the size of the land shares (in hectares and hectare points) and the property share value (in lei)

2.2 Grouping/Arranging Lists

After the lots have been distributed, each leader must prepare a "grouping/arranging" list for each arable field and each land with perennial crops contained in the lots awarded to such leader.

Provisional Instructions
on Preparing Land
Arrangement Projects,
MD-36-02-03-97 of
09.12.97

Each leader (and mayor on behalf of the individual farmers) submits the completed lists to the land commission for review. The land commission reviews and then submits to the mayor with the recommendation that the mayor approve the grouping/arranging lists. The mayor signs and seals the approved grouping/arranging lists.

2.3 Remaining Property Share

The property commission then completes the annex to the property share certificate.

A sample annex to the property share certificate is shown following.

Annex of the Property Certificate no. _____			
1. Based on the application of " _____ " 199__			
citizen _____			
(last name, first name)			
was issued a share of the farm property _____			
(Enterprise name)			
Nr.	Type of property	Sum	Owner's signature
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Total:			
Total sum of _____			
(in numbers and written out)			
with the right to private property.			
Farm Director _____		Chief Accountant _____	
(Farm name)			
(signature) _____	(last name, first name) _____	(signature) _____	(last name, first name) _____
Village Mayor			
(Village, town, city name)			
(signature) _____		(last name, first name) _____	
_____ 199__			

2. Based on the application for shares of the joint stock company

_____ (Joint stock company name)

the individual _____ (owner's last name, first name)

was issued _____ property shares from the farm property

_____ (Enterprise name)

from no. ___ to no. ___ each share with a value of _____

_____ (in numbers and written out)

In the total sum of _____ lei.

_____ (in numbers and written out)

Chairman of the Board of Directors
of the Joint Stock Co. Chief Accountant

_____ (Joint stock company name)

(signature) _____ (last name, first name) (signature) _____ (last name, first name)

The annex to the property share certificate includes the value of connected property received at the land tender (vineyards, trellises, orchards, berry plantations, irrigation systems, etc.). The value of the property distributed to each individual is determined by dividing the total value of such property in the lot in which the individual's parcel will be located and dividing it by the number of full land shares located in the lot.

Tender participants must sign bills of transfer, the issuance register and the annex to the property share certificate. Doing this confirms that the participant has received a portion of the farm's property.

2.4 *Deceased Persons and Persons Who Have Not Filed Applications*

Individuals entitled to a land share who do not participate in the land tender retain their right to land. The mayor's office reserves land for these individuals and is responsible for settling all issues involving their land.

3. **Creation and Allocation of Parcels**

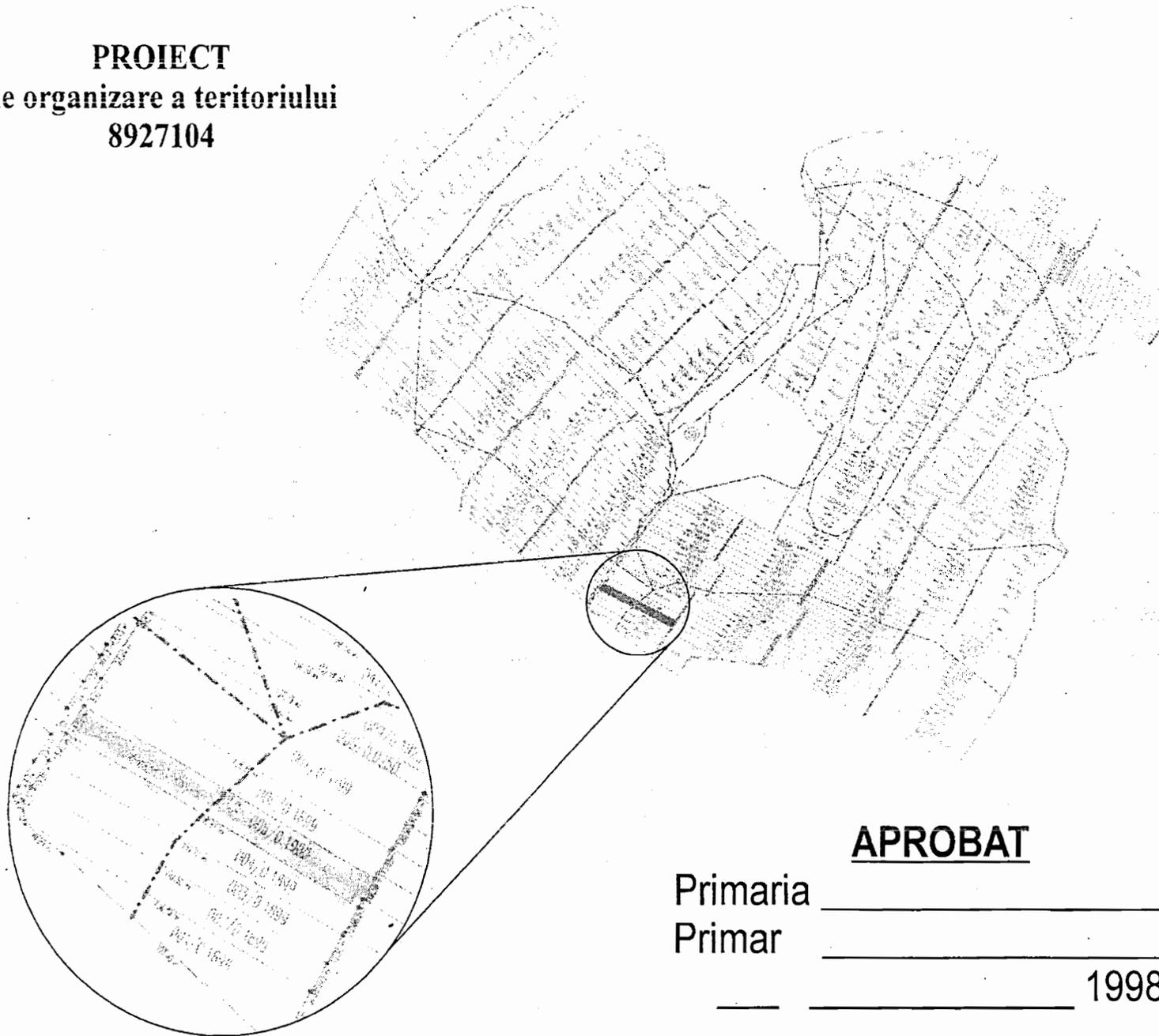
3.1 *Preparation of Final Land Arrangement Project*

After the grouping/arranging lists have been approved and signed by the mayor, the surveyor can begin preparing the final land arrangement project following instructions issued by the Ministry of Privatization and State Property Administration and the National Agency for Geodesy, Cartography and Cadastre.

Provisional Instructions
on Preparing Land
Arrangement Projects,
MD-36-02-03-97 of
09.12.97

After the surveyor has prepared the final land arrangement project and list containing the names of all land parcel recipients, he submits it to the land commission for review. The land commission submits the final land arrangement project and the list to the mayor along with the recommendation that the mayor approve the project. The mayor signs and adds the mayor's stamp to the final land arrangement project, and keeps a copy. The mayor makes a decision confirming the allocation of land parcels to persons included in the list of land parcel recipients. The mayor's office and the surveyor transfer the approved final land arrangement project, together with the surveyor's work file, to the National Agency for Geodesy, Cartography and Cadastre.

PROIECT
de organizare a teritoriului
8927104



APROBAT

Primaria _____

Primar _____

_____ 1998

Nr. de ord	Nr de inregistrare	Data inregistrarii	Numele, prenumele persoanei fizice. Denumirea oficiala a persoanei juridice	Adresa	Termenul eliberarii titlului	Numarul titlului	Suprafata atribuita, ha			Tipul de proprietate			Destinatia terenului atribuit	Semnatura detinatorului si data inminarii	Mentii			
							total	inclusiv			privata	colectiva			de stat	modifican in suprafetele terenurilor		
								agricole	construc-tii	alte terenuri								
1471	367	23.01.98	Badan Minodora Petrovna	Coropceni	deciz. prim. nr.2 din 20.01.98	8927 104 004	0.1899	0.19	-	-	privata	-	-	agricol				
1472	367	23.01.98	Badan Minodora Petrovna	Coropceni	deciz. prim. nr.2 din 20.01.98	8927 105 030	0.4015	0.402	-	-	privata	-	-	agricol				
1473	367	23.01.98	Badan Minodora Petrovna	Coropceni	deciz. prim. nr.2 din 20.01.98	8927 106 026	0.2582	0.258	-	-	privata	-	-	agricol				
1474	367	23.01.98	Badan Minodora Petrovna	Coropceni	deciz. prim. nr.2 din 20.01.100	8927 105 397	0.0304	0.03	-	-	privata	-	-	agricol				
1475	368	23.01.98	Bruma Ghenadii Ivanovici	Coropceni	deciz. prim. nr.2 din 20.01.101	8927 104 005	0.19	0.19	-	-	privata	-	-	agricol				
1476	368	23.01.98	Bruma Ghenadii Ivanovici	Coropceni	deciz. prim. nr.2 din 20.01.102	8927 105 398	0.0304	0.03	-	-	privata	-	-	agricol				
1477	368	23.01.98	Bruma Ghenadii Ivanovici	Coropceni	deciz. prim. nr.2 din 20.01.103	8927 106 025	0.2582	0.258	-	-	privata	-	-	agricol				
1478	368	23.01.98	Bruma Ghenadii Ivanovici	Coropceni	deciz. prim. nr.2 din 20.01.104	8927 105 029	0.4011	0.401	-	-	privata	-	-	agricol				
1479	368	23.01.98	Rusu Evghenii Mihailovici	Coropceni	deciz. prim. nr.2 din 20.01.105	8927 101 025	0.1901	0.19	-	-	privata	-	-	agricol				

4. Filling Out Cadastral Registry and Issuing Land Title Certificates

4.1 Filling Out Land Title Certificates

After the mayor has approved the final land arrangement project, the mayor instructs the surveyor to fill out the land title certificates.

A sample land title certificate is shown following on the following page.

Provisional Instructions on Procedure for Filling Out, Issuance and Maintenance of Title Certificates Confirming Landholder's Right, MD RM-36-02-04-97 of 09.12.97

4.2 Filling Out Cadastral Registry of Landholders

The Cadastral Registry of Landholders is the official record of land ownership. Each parcel received by the new landowners must be recorded in the Cadastral Registry of Landholders before the land title certificates are issued (see example on previous page).

Provisional Instructions on Procedure for Filling Out, Issuance and Maintenance of Title Certificates Confirming Landholder's Right, MD RM-36-02-04-97 of 09.12.97

4.3 Signing and Issuance of Land Title Certificates

After the Cadastral Registry of Landholders is filled out, the mayor, the secretary of the mayor's office and the local cadastral engineer must sign and add the mayor's seal to each land title certificate. After all land title certificates are signed and sealed, the mayor's office issues the land title certificates to all parcel recipients. Each parcel recipient must sign the Cadastral Registry of Landholders to acknowledge receipt of ownership of the land and receipt of the land title certificate.

Provisional Instructions on Procedure for Filling Out, Issuance and Maintenance of Title Certificates Confirming Landholder's Right, MD RM-36-02-04-97 of 09.12.97

Republic of Moldova

LAND TITLE

No. _____

1. Title of the authenticity of the right to own land is given to: _____

(individual or legal entity)

2. In compliance with the Mayor's office

_____ (village, town)

decision No _____ of _____ 199__:

Land with a total surface area of _____ ha, with borders as indicated on the collective farm map, was distributed to the owner with the right of:

_____ (property, possession, rental)

3. The scope of land distribution _____

4. Entered into the cadastral registry of land owners under no. _____ on _____ 199__

5. Issued _____

(date in numbers and written out)

Mayor _____

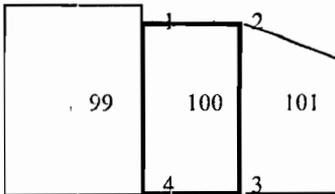
Secretary _____

Cadastral Engineer _____

Composed in two copies: the first is handed to the land owner, and the second is to be stored at the local administrative body that issued this title.

Map of distributed parcel (parcels)

The surface of _____ ha Cadastral code _____



Scale 1:3000 (1 cm - 30m)

List of individuals with adjoining parcels
Distance (m)

The restrictions regarding the use of this parcel are indicated in the mayor's office decision on the transfer of land from state property into private property to the land share holders.

1.2 Applications for Participation in the Property Tender

After signing proxies or proxy agreements with property share holders, leaders and individual participants submit a formal tender application. (See Annex 31 for the application form.) In each application, the tender participant must state how many units of each type of asset he or she is entitled to receive. This number is calculated by dividing the value of all the property shares received by the “cost standard” for each type of asset and rounding to the nearest whole unit. (Annex 30 is an example of a cost standard calculation. For more information on cost standards, see Section V(b), 8. Development of Cost Standards.)

Note: The value of each property share has been reduced by the value of property connected to land received by the property share holder at the land tender.

Participants must deliver the application to the property commission by the specified deadline. Attached to the completed application are:

- Property share certificate(s)
- Collected proxies or proxy agreements
- The list of desired property (See Annex 32 for a sample list of desired property.)
- Legal proof of inheritance of any property shares if the participant represents the inheritors of dead persons who received property share certificates before dying or if the participant has personally inherited the property share(s) from a dead person

1.3 Memorandum on Contested Property

Before the tender, the property commission draws up a memorandum that explains how property will be distributed if more than one participant claims it.

All tender participants must read the memorandum. (See Annex 34 for a memorandum sample.)

1.4 Individual Participants in the Property Tender

Individual participants who represent themselves at the tender and persons who grouped together have the same rights as leaders to get property. Special attention should be given to individual participants to ensure that their interests are not ignored in favor of leaders who represent large numbers of property share holders. Individual participants may even be given first chance to select property.

2. Conducting the Property Tender

After the chairman of the property commission announces the tender rules, the tender begins. The tender is held in stages determined by the type of property.

After each item has been allocated, the amount spent on that item (equal to what the item was valued at in the preparatory stage) must be deducted from the participant’s property share value. If a person does not have enough value

left on his property shares to cover the cost of an allocated item, he may not receive the item.

After all uncontested property is distributed, the property commission then distributes the contested property. Any disputes over property allocation are resolved according to the method agreed upon in the memorandum written before the tender

3. After the Property Tender

3.1 Completion of Property Tender Documents

The following documents are completed after the tender:

- The minutes of the meeting of the property commission (Annex 35)
- The table of tender results that shows the property distributed at the tender (Annex 35)
- Extracts from the minutes provided to each participant with a list of property that has been distributed (Annex 36)

Paragraph 5 of the Decision of the Government of RM on Approval of Regulations on Commission for Privatization of Farm Property no 361 of 10.06.93

3.2 Bills of Transfer

After completing the tender the property is physically distributed. The property commission and the management of the farm perform the physical transfer of property and completes a bill of transfer for each transferred asset. The bill of transfer can be signed only by the person who got the property or their representative.

Article 36 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

VII. Creation of the Successor Enterprise

The successor enterprise is an entity that takes over all legal rights and liabilities of the farm that is reorganized. The successor enterprise can be founded before or after the property tender.

Articles 4 and 17 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

Special attention should be given to the legal form of the successor enterprise. It cannot be an individual enterprise or a peasant farm because only family members can found this kind of enterprises. It's unlikely that a full or closed partnership will be created since the number of founders in these enterprises cannot exceed 20. The number of founders of a limited liability company cannot exceed 50. It's difficult to create a peasant farm association for the successor enterprise because all property share holders must be registered as peasant farms.

Article 13 and 15 of the Law of RM on Peasant Farms of 03.02.92

Paragraph 4 of the Regulation on Economic Entities approved by the Decision of the Government of RM no. 500 of 10.09.91

A successor enterprise can be a production and consumption cooperative. Its characteristic features are:

Article 2 of the Law of RM on Cooperatives of 16.01.92

- Property share can be withdrawn any time.
- All members of the cooperative are not required to participate in production (as members of the production cooperative).
- Responsibility of the members of the cooperative for the farm's debts is limited to their property shares. They are not responsible from their personal property as members of the production cooperative would be.

It is also possible to create a successor enterprise using a different legal form, such as a joint-stock company. This is recommended when a farm holds indivisible fixed assets (property that cannot be divided without damage to its designed use). This includes wineries, mills, drying rooms of different types, canneries and sausage making facilities. A newly created joint-stock company can be based on this property and every property share holder will hold shares of this joint-stock company.

Article 38 of the Law of RM on Privatization Program for 1997-1998 of 25.06.97

While a representative from the local bank serves on the property commission, it may be necessary to complete additional work with all creditors (including banks, state and local budget authorities, input suppliers and others) to coordinate the reorganization process with creditors and keep them fully informed of how the debts will be handled by the farm and the successor enterprise. Should the debts of a farm exceed the assets, the farm must discuss options, including bankruptcy, transferring social fund assets to the state (requires approval of the state and may not be accepted as a solution) or other proposals with creditors. Should a farm with debts be completely liquidated without a successor enterprise being created, creditors, the farm and other new enterprises must meet and, with the consensus of creditors, determine how rights and liabilities of the farm will be split between new enterprises.

VIII. Creation and Registration of New Enterprises

After the leaders have been allocated lots, they must register their new enterprises with the State Registration Office in the Ministry of Justice. Individuals who intend to farm their land parcel individually and do business also should register their enterprise. However, those who are leasing their land to a leader do not have to go through the registration process.

Articles 13 and 27 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

In order to create an enterprise, it is necessary to choose the legal form of the enterprise. See Annex 3 for more information.

After the legal form has been chosen, it is necessary to found and register the enterprise at the State Registration Office in the Ministry of Justice (except for joint activity association). The process of creating an enterprise starts with giving the enterprise a name. Regardless of the legal form (except for an individual enterprise and peasant farm) it is necessary to make sure that:

Article 27 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

- No other enterprise is registered under the same name. (The Territorial State Registration Office in the Ministry of Justice does this.)
- The name of the enterprise is spelled in compliance with the official language rules. (The State Terminology Center located in Chisinau is responsible for checking this.)

Article 25 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

When a peasant farm or an individual enterprise is created, it can be named after its founder. Then there is no need to go through the checking process. After the enterprise has been named, all foundation documents required for registration must be prepared.

The legislation of the Republic of Moldova specifies which foundation documents are needed for the registration of enterprises of various forms:

Article 23 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

- Decision on the foundation certified by a public notary (individual enterprises and peasant farm)
- Foundation agreement certified by a public notary (full or closed partnership)
- Foundation agreement certified by a public notary and the charter (limited liability company, joint-stock company and production and consumption cooperative). (If a production and consumption cooperative is created, the foundation agreement should be drawn up if required by the registration officer.)

Paragraph 5 of the Regulations on State Registration of Enterprises as approved by Decision of the Government of RM no. 52 of 29.01.92

See Annex 37 for samples of the foundation documents.

The number of founders required to found the following enterprises are:

- One founder is sufficient to form an individual enterprise, a peasant farm, a limited liability company or a joint-stock company. (If a limited liability company or a joint-stock company is founded by only one person, a foundation declaration, not a foundation agreement, is used.)
- At least two founders are required to create a full or closed partnership.
- At least three founders are needed to set up a production and a production and consumption cooperative.

Articles 14 and 17 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

Articles 15 and 16 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92
Article 8 of the Law of RM on Cooperatives of 16.01.92

When the enterprise is created by several founders, it is necessary to hold a foundation meeting (except for an individual enterprise and a peasant farm) and approve the foundation documents.

When a limited liability company is set up, a temporary bank settlement account should be opened before registration, and cash that equals 40 percent of the statutory capital should be deposited into this account.

Paragraph 73 of Regulations on Economic Entities as approved by Decision of the Government of RM no. 500 of 10.09.91
Article 34 of the Law of RM on Joint-Stock Companies of 11.04.96

When a joint-stock company is created, it is also necessary to open a temporary bank settlement account before registration, and make cash deposits as a security for the shares.

After the required foundation documents are completed, a state statistical registration code will be assigned by the statistical office of the raion.

Paragraph 10 of Decision of the Government of RM on State Commercial Registration of Enterprises no. 50 of 29.01.92

Then, the final set of the registration documents for the enterprise must be prepared.

Before registration, the state tax service of the raion must assign a fiscal code to the enterprise.

Articles 28 of the Law of RM on Entrepreneurship and Enterprises of 03.01.92

The enterprise is registered by the Territorial Registration Office in the Ministry of Justice within 15 days after all required documents have been submitted. As a result, registration certificate is issued.

(See Section VII. Creation of the Successor Enterprise for information on handling debts.)

ANNEXES

ANNEX

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Pamphlets to Order

If you are interested in receiving any of the listed pamphlets, please fill out the form below stating which language and how many copies you want. Write your name and address on the form and send it to your Farm Privatization and Reorganization Center (see the beginning of your manual for a listing of these centers).

Title	Order #	Language	Quantity
General Pamphlets or Documents			
Information on Legal Form of Enterprises	A-3		
Land Proxy	A-4(a)		
Land Proxy Agreement	A-4(b)		
Property Proxy	A-4(c)		
Property Proxy Agreement	A-4(d)		
Land Lease Agreement	A-5(a)		
Collective Property Lease Agreement	A-5(b)		
Applications for Participation in the Land Tender	A-24(a)		
Guidelines for Grouping and Arranging	A-29		
Applications for Participation in the Property Tender	A-31(a)		
List of Desired Property	A-32		
List of Property Share Holders	A-33		
Farm Reorganization Assistance Pamphlets			
What are Land and Property Share Certificates?	P-1		
Options for Using Your Land and/or Property Shares	P-2		
Who is Entitled to Land Shares?	P-3		
Who is Entitled to Property Shares?	P-4		
Importance of Entitlement Lists	P-5		
Information for Entrepreneurs	P-6		
Choosing the Legal Form of the New Enterprise	P-7		
General Cautions in the Privatization and Reorganization Process	P-8		
What to do When You Receive Your Land Share	P-9		
Information for Individual Farmers	P-10		
What You Should Know About Lease Agreements	P-11		
How to Choose a Leader	P-12		
How Land and Property Tenders Work	P-13		
Information for Leaders	P-14		

NAME:

ADDRESS:

Pamphlets to Order (continued)

If you are interested in receiving any of the listed pamphlets, please fill out the form below stating which language and how many copies you want. Write your name and address on the form and send it to your Farm Privatization and Reorganization Center (see the beginning of your manual for a listing of these centers).

Title	Order #	Language	Quantity
Testimonials			
Information for People Considering Leasing in Land and/or Property and Becoming Leaders	T-1		
Information for Mayors about Privatization and Reorganization	T-2		
Farm Directors Opinions on Privatization and Reorganization	T-3		
Social Sphere Workers Privatization and Reorganization Opinions	T-4		
Farm Members Opinions on Privatization and Reorganization	T-5		
Information for Pensioners Thinking About Their Land and Property Options	T-6		
Thoughts from Nisporeni	T-7		
Graphic Pamphlets that Summarize Steps in the Privatization and Reorganization Methodology			
General review on entire methodology (large paper size)	G-1		
Ion gathers offers	G-2		
Ion goes through the proxy process	G-3		
Ion goes through the leasing process	G-4		
Ion receives his land share certificate	G-5		
Ion receives his property share certificate	G-6		
Maria, a leader, collects property share certificates in order to get property to form a service enterprise	G-7		
Maria, a leader, prepares for and participates in the land tender	G-8		
Maria, a leader, prepares for and participates in the property tender	G-9		
Maria, a leader, allocates parcels in her lots to the individuals she represents	G-10		
Steps to Receive a Land Title Certificate for People who Have Already Taken Their Land	G-11		

NAME:

ADDRESS:

Minutes of the General Meeting

Minutes no. ___ of general meeting of members and pensioners of the enterprise _____ (name of the enterprise)

village _____ raion _____

The report of the general meeting _____

Date _____

Participants¹ _____

From _____

Agenda:

- 1. Social and economic situation of the enterprise
- 2. Reasons to privatize and reorganize
- 3. Functions of the land and property commissions
- 4. Vote on reorganization

1. The following person(s) took the floor:

The following resolution was adopted:

Voted: _____ for; _____ against; _____ abstained

2. The following person(s) took the floor:

The following resolution was adopted:

Voted: _____ for; _____ against; _____ abstained

Chairman of the meeting _____

Secretary of the meeting _____

Seal

¹ The meeting resolutions are effective if the number of farm members present at the meeting corresponds to the number indicated by the legal form of the enterprise and its charter.

Information on Legal Forms of Enterprises

Options for Individuals Who Want to Operate a Family Business in Agriculture

Individual Enterprise

An individual enterprise belongs to an individual as private property or to his family members as common property. It is not a legal entity. There is no distinction between the assets of an individual enterprise and property of its owner(s). Owners of an individual enterprise bear unlimited liability for its debts from their property except for property that cannot be claimed by law. An individual enterprise may hire people and enter into agreements itself. Any individual can own only one individual enterprise.

Options for Individuals Who Want to Directly Participate in the Production Activity

Enterprises of these types can be founded only if each individual wants to be directly involved in farming or a related agricultural activity.

Joint Activity Association

A joint activity association of individuals, who signed an agreement on joint activity, is one of the forms of an individual entrepreneurship (Art. 453-457 of the Civil Code of the Republic of Moldova). Under this agreement the parties pool privately held assets (or land) for a joint activity to achieve the following economic objectives:

- agricultural production;
- sale of agricultural products;
- partial processing of agricultural products etc.

An association is not a legal entity. The assets collected for a joint activity belong to the entire enterprise as common property. It consists of the contributions of participants and assets acquired or generated as a result of the joint activity.

Participants delegate management authority of the joint entrepreneurial activity to one person who acts on the basis of a proxy signed by all the parties of the agreement. The profits are distributed in proportion to the participants' shares and their labor input. If expenses and losses arise from the joint activity, the enterprise will sell its assets. If amounts obtained from disposal of assets are not sufficient, the remaining expenses and losses are paid in cash by every participant in proportion to their shares in the property of the enterprise.

A party may withdraw from the association with notice as specified in the agreement. The withdrawing party can actually receive back his land (if contributions to association were made in land) and property on the day of withdrawal (including assets contributed to the pool) provided the other parties agree. The share of the withdrawing party can be paid in cash if the parties agree to such payment procedures.

Any party can give his share to a third party provided the other founders agree. Founders of the association have priority in acquiring the share of the withdrawing founder. The joint activity agreement can be terminated by consent of all founders or if the number of all founders is reduced to one.

The agreement should be drawn up in writing. It should be signed by all founders and registered at the mayor's office.

Despite joint entrepreneurial activity, each founder of the association is personally responsible for all

personal asset liabilities. The concept of a “joint activity” assumes that all parties to the agreement should be directly involved in production activity.

Peasant Farm

A peasant farm is set up by members of one family. Land and assets of such an enterprise belong to all family members as common property (joint or shared). The enterprise may lease land and assets from other individuals according to lease agreements. Founders of a peasant farm incur liability for its debts from their personal property.

A peasant farm is a legal entity and it should be registered at the State Registration Office within the Ministry of Justice of the Republic of Moldova.

Each founder can terminate his membership in the peasant farm at any time. If all members of a peasant farm wish to withdraw their land and property, the peasant farm terminates its activity.

Activity of a peasant farm is based on the personal involvement of every member. The farm may hire other people under employment agreements, as needed for production. Another advantage of a peasant farm is that it is suitable both for family business and leaders.

Production Cooperative

Such an enterprise belongs to three or more individuals who have pooled their property in order to exercise joint production activity. Founders of a cooperative sign a charter and a foundation agreement.

A cooperative is a legal entity. All members must personally participate in business. Cooperative members have priority in being employed by the cooperative.

The cooperative is liable for its debts with all of its property. Cooperative members are liable for the debts within their shares in the cooperative. If their shares cannot raise sufficient amounts to pay debts, members of the cooperative take on liabilities above their shares in the amount up to their annual income. Characteristics of a production cooperative include:

- it provides employment to all cooperative members and, thus, in some cases excludes pensioners from the activity of a cooperative;
- it provides equal management rights to all cooperative members irrespective of their contributions to the property pool;
- unlike other legal entities, if property of the cooperative is not sufficient to pay its debts, cooperative members are liable above their shares in the amount up to their annual income.

Production and Consumption (Mixed) Cooperative

This type of cooperative is similar to the production cooperative. The difference is that members of the production and consumption cooperative do not need to be involved in the production activity. Thus, they are liable for the debts of the cooperative within their shares in it.

Options for Leaders

Leaders use the land and property of individuals who do not want to participate in the production process of the new enterprise directly. Individuals are not obligated to make contributions to the statutory capital of these types of enterprises.

Note: A consultant should strongly recommend to all individuals not to contribute land to the statutory capital of any of the following types of enterprises. Instead, individuals should opt to lease their land to such enterprises. This places the individuals at less risk of losing their property and allows them to easily change the way in which their land is used, should they so desire.

Limited Liability Company (LLC)

This enterprise belongs to several legal entities or individuals who have combined their property to conduct joint activity under a common firm on the basis of a foundation agreement and charter. LLC is a legal entity and is liable for its debts with all of its property. LLC participants are not personally liable for the debts of the company, and risk only their contribution to the statutory capital. The number of shareholders should not exceed 50.

The statutory capital consists of contributions made in cash or movable and immovable property based on their appraised cash value. If a founder contributed his property to the statutory capital, he becomes a shareholder and receives an appropriate co-owner's certificate. If the company starts generating a profit, he has the right to a share of the profit, but the ownership right to property, contributed to the statutory capital, is transferred to the company. An individual who leaves a LLC does not get his share. He may only sell his co-owner's certificate/share.

If land is contributed to the statutory capital, the ownership right to land is transferred to the company. However, land can be leased to the company or a third party. If a property share was not contributed to the statutory capital, it could also be included in lease agreement.

Every LLC shareholder has voting rights during general meetings, proportionate to his share of statutory capital.

If a shareholder wants to leave the company, his share in the statutory capital can be sold to the company, to other shareholders, or to a third party provided other shareholders waived their right to buy it.

Every land and property owner decides for himself on what terms he will transfer the land and property to the company. He may become a shareholder and contribute his property to the statutory capital and lease the land to the company. His other option is not to become a shareholder and to lease his property for an annual fee specified in an agreement.

Transfer of the property share to the statutory capital and lease of land to the company does not mean that the company will immediately employ their owners. LLC management is free to decide how many and what kind of workers to hire.

Joint-Stock Company

The statutory capital of this type of enterprises is divided into a specific number of shares. Such an enterprise is engaged in entrepreneurial activity. It is a legal entity, and it is liable for its debts with all of its property. JSC participants or shareholders bear the risks of losses within the limits of the value of their stock.

Founders may set up a JSC by signing a foundation agreement and subscribing for shares. The statutory capital is made up of funds obtained from the sale of shares and it equals the par value of all shares issued by the company. Contributions of shareholders to the statutory capital can be made in cash and property; they receive shares in return. Property contributed to the statutory capital becomes JSC property. When a participant leaves the JSC, he cannot get back the property he contributed to

the statutory capital. However, a shareholder can obtain cash by selling his shares.

A shareholder may receive profit (dividends) depending on the type of shares (preferred or common) and their number. He may participate in the JSC management, and vote at meetings according to the "one share one vote" principle.

When a shareholder leaves the JSC, he cannot receive the actual property he contributed or claim a refund of his property share. He receives shares which can be sold to other individuals or at the stock exchange.

Individuals may lease their land and property to a JSC, without transferring their ownership rights. The JSC does not have to employ those who leased land and/or property to it and shareholders do not need to work for the JSC.

Full Partnership

This is an enterprise, owned by two or more legal entities or individuals, who have pooled their property in order to exercise joint entrepreneurial activity according to a foundation agreement. It is not a legal entity. It is set up by a foundation agreement signed by several persons. All partners assume full common liability for the debts of the partnership. Any person may found only one full partnership. The number of shareholders in a partnership should not exceed 20.

The agreement specifies which partner will manage the enterprise and which will represent it in relations with third parties. It also stipulates the rights, duties and responsibility of the partners.

A partnership should be registered at the State Registration Office. It is characterized by a high degree of liability of the partners (risk of losing property).

Partners do not need to work for the partnership. Partners can lease their land to the partnership by a lease agreement.

Closed Partnership

A closed partnership is similar to a full partnership. The difference is that there are two types of partners: limited and full.

It is not a legal entity. Full partners are liable for the debts of the partnership, while the liability of limited partners lies only within their contributions stipulated in the foundation agreement.

Full partners are personally involved in management and business activities and they participate in the activity of the partnership directly. Limited partners have advisory rights and cannot dispute management related actions of full partners.

Profit is distributed among partners in proportion to their contribution to the partnership's capital which can be made up of property shares.

Such an enterprise can be founded during the reorganization of former collective farms, when many qualified workers lose their jobs and they can assume full responsibility for the management (become full partners).

The legal status of land and property relationships in a closed partnership is similar to that of a full partnership.

Information on Legal Forms of Enterprises (continuation)
Characteristics of Legal Forms of Enterprises

Individual Enterprise

- suitable for family business
- not a legal entity
- founders have unlimited liability
- an individual or his family members control the enterprise

Joint Activity Association

- all parties to the contract should agree to form a joint activity association
- not a legal entity
- a party to the agreement cannot dispose of his property share without the consent of the other parties
- uncommon

Peasant Farm

- suitable for both family business and large scale production
- a legal entity
- founders have unlimited liability
- an individual or his family members control the enterprise
- simple accounting procedures

Production Cooperative

- all members must be personally involved in the work of the cooperative
- a legal entity
- cooperative members are liable for the debts of the enterprise with their personal property up to their annual income
- every cooperative member has one vote regardless of his property share value
- a cooperative member can terminate his membership in the cooperative by withdrawing his property share any time

Production & Consumption Cooperative

- a legal entity
- members do not need to be personally involved in the work of the cooperative
- members of the cooperative are liable for the debts of the enterprise within their property shares
- every cooperative member has one vote regardless of his property share value
- a cooperative member can terminate his membership in the cooperative by withdrawing his property share any time
- the easiest form to create as a successor enterprise

Information on Legal Forms of Enterprises (continuation)
Characteristics of Legal forms of Enterprises

Limited Liability Company

- a legal entity
- has statutory capital
- founders and shareholders are not liable for the debts of the company with their personal property
- founders and shareholders do not need to be personally involved in the work of the company
- founders and shareholders cannot get back their contributions to the statutory capital, they can only sell their shares
- the number of shareholders cannot exceed 50
- every shareholder has the right to vote based on his interest in the company
- this form is suitable for large scale production
- complicated accounting procedures

Joint-Stock Company

- a legal entity
- statutory capital is divided into a specific number of shares
- founders and shareholders are not liable for the debts of the company with their personal property
- founders and shareholders do not need to be personally involved in the work of the company
- founders and shareholders cannot get back their contributions to the statutory capital, they can only sell their shares
- every shareholder has the right to vote based on a "one share - one vote" principle
- complicated share transactions
- complicated accounting procedures

Full Partnership and Closed Partnership

- full partners unlimited liability
- the number of shareholders cannot exceed 20
- not legal entities
- easy to manage
- uncommon

Land Proxy

WARNING:

BY SIGNING THIS DOCUMENT I AGREE TO RECEIVE MY LAND PARCEL(S) ON ONE OF THE LOTS SELECTED BY MY REPRESENTATIVE DURING THE LAND DISTRIBUTION TENDER. I CANNOT RECEIVE MY LAND PARCEL(S) FROM SOME OTHER LOT, EVEN IF I DECIDE NOT TO LEASE MY LAND PARCEL(S) TO THE LEADER.

PROXY

“ ” 199

village (commune)

I the undersigned _____ (“Trustor”), holder of an equivalent land share on farm _____, born in 19____, identity card series _____ number _____, issued by _____, residing at _____, entrust _____ (“Representative”), born in 19____, identity card series _____ number _____, issued by _____, residing at _____ for:

Participation in the land distribution tender to select a land lot from which my individual land parcel(s) will be permanently allocated.

If, after the land distribution tender is held, I decide to farm my land individually, or to give my land parcel(s) to my children, or to lease my land parcel(s) to a member of a peasant farm, or to lease my land parcel(s) to another enterprise, or if I otherwise decide not to lease my land parcel(s) to the Representative named in this Proxy, I agree that I will nevertheless receive my land parcel(s) within the lot (lots) selected by the Representative, provided that my land parcel(s) is adjacent to a public access road.

I may cancel this Proxy before the land distribution tender is held, but I may not cancel this Proxy after the land distribution tender is held.

Trustor _____

Land Proxy Agreement

The present Agreement is signed as of "___" _____ 199___ between _____ born in _____, identity card series _____ number _____, issued on "___" _____ by Department of Internal Affairs _____, residence _____ (hereinafter referred to as the Representative) and the land and/or property share holders according to the list in the Attachment (hereinafter referred to as the Trustees).

1. The Trustees shall entrust the Representatives to perform the following activity on their behalf:
 - to participate in the land tender, for the land that is currently used by the farm " _____ "
2. The Representative shall carry out the activity specified in item 1 of the present Agreement.
3. The Representative shall provide the Trustees with all information on the execution of activity in conformity with item 1 of the present Agreement, by submitting the Trustees the report with all required attachments.
4. The present Agreement may be canceled, any time, on the initiative of either of the parties.
5. The present Agreement is concluded for 3 months and comes in force on the date of signing.
6. The present contract was drawn up in two copies.

Legal address of the parties

The Representative

Trustees
(see Attachment of the present Agreement)

Signature _____

Land Proxy Agreement Attachment

The Attachment to the Proxy Agreement was concluded on "_____" _____ 199_ in
village _____.

(The Attachment is a component part of the present Agreement.)

**List of Trustees, who entrusted the Representative to carry out the activities specified in item 1
of the present Agreement.**

No.	First name, last name	year of birth	identity card data	land share value	Signature

Property Proxy

Annex 4
A(eng)-4(c)

_____ " " _____ 199__
(town or village)

We, the undersigned, owners of property shares in the _____ collective farm proxy to
_____ (Representative) identity card serial _____ no. _____
issued by _____
residing at _____

1) to participate in the farm property tender
" " "

2) to manage and store the distributed property received after the tender before usage for not more than 3 months

3) to register, under the name of the Representative, the property distributed at the tender with the public authorities (BTI, Technical Inspection, Traffic Police, etc.)

Nr	Name (last, first, middle)	Identity card Data	Property Certificate #	Value of Property Share in Lei	Signature
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

Property Proxy Agreement

This Agreement is signed as of "____" _____ 199____ between _____ born in _____, identity card series _____ number _____, issued on "____" _____ by Department of Internal Affairs _____, residence _____ (hereinafter referred to as the Representative) and the land property share holders according to the list in the Attachment (hereinafter referred to as the Trustees).

1. The Trustees shall entrust the Representatives to perform the following activities on their behalf:
 - to participate in the farm property tender
" _____ "
 - to manage and store the distributed property received after the tender before usage for not more than 3 months
 - to register, under the name of the Representative, the property distributed at the tender with the public authorities (BTI, Technical Inspection, Traffic Police, etc.)
2. The Representative shall carry out the activities specified in item 1 of the present Agreement.
3. The Representative shall provide the Trustees with all information on the execution of each activity in conformity with item 1 of the present Agreement, by submitting the Trustees the report with all required attachments.
4. The present Agreement may be canceled, any time, on the initiative of either of the parties.
5. The present Agreement is concluded for 3 months and comes in force on the date of signing.
6. The present contract was drawn up in two copies.

Legal address of the parties

The Representative

Trustees

(see Attachment of the present Agreement)

Signature _____

Property Proxy Agreement Attachment

The Attachment to the Proxy Agreement was concluded on " _____ " _____ 199_ in village _____.

(The Attachment is a component part of the present Agreement.)

List of Trustees, who entrusted the Representative to carry out the activities specified in item 1 of the present Agreement.

№/p	First name, last name	year of birth	identity card data	property share value in Lei	Signature

Land Lease Agreement

This agreement was made on “___” _____ 19___, between the land owner, hereinafter referred to as “**Lessor**”, represented by _____ as one party and the limited liability company (peasant farm), hereinafter referred to as “**Lessee**”, represented by the Director _____, as the other party. This agreement will become effective if the following conditions are fulfilled:

- a) distribution of leased land parcel according to current legislation;
- b) the Lessor has a land title certificate with the map of the land parcel boundaries and specific characteristics of the leased land parcel.

The parties to this agreement hereby agree to the following:

I. General Provisions

- 1.1 The Lessor agrees to lease out the land and the Lessee agrees to lease in the land and commits to use the parcel rationally and carefully for the purpose of agricultural production. The total surface area and the structure of the parcel is shown in Table 1.

Table 1

#	Type of agricultural land	Surface area in hectares	Soil fertility	Total hectare-points
1.	Arable land			
2.	Orchards			
3.	Vineyards			
	Total			

- 1.2. Duration of the agreement - **one year** starting from its effective date.

OR

- 1.2. Duration of the agreement ___ years starting from its effective date with the right to terminate yearly.

Note: Choose one or the other; a **one year** lease is preferred and recommended.

II. Rights and Obligations of the Parties

- 2.1 The Lessor shall lease out the land on “___” _____ 199__.
- 2.2 A delay in transfer of the usage right through the fault of the Lessor, which caused losses to the Lessee, gives the latter the right to claim compensation for losses at the expense of the Lessor, including compensation through court procedures.
- 2.3 The Lessee shall use the land parcel strictly according to its purpose, following the normative agricultural and technical documents and this agreement.
- 2.4 The Lessee shall work to prevent erosion and maintain the soil fertility of the leased land parcel.
- 2.5 The lease of the parcel does not transfer ownership rights, except the use rights as specified by this agreement.
- 2.6 Any sub-lease of the rented parcel must have specific written permission from the Lessor.
- 2.7 The Lessee shall present the land arrangement project to the Lessor for information.

III. Conditions of Payment

- 3.1 The Lessee pays the rent to the Lessor in an amount of _____ lei as material compensation for the leased parcel of land. The rent may be paid in cash or in-kind (or a combined payment in cash and in-kind).
- 3.2 In case of in-kind payment, the goods' price shall be determined according to market prices as

of the day of payment and shall not be less than the cost of production.

- 3.3 The Lessee shall pay taxes according to current legislation.
- 3.4 The lease payment shall be paid not later than _____ of each year.
- 3.5 If the lease payment is not paid on time, the Lessee shall pay a fine in the amount of _____ % of lease fee for each unpaid day.
- 3.6 The parties may revise the in-kind payment by mutual agreement if the weather conditions or other factors have dramatically reduced the output of crops grown on the leased parcel. A commission including the Lessor, the Lessee and three independent experts is formed for this purpose as agreed upon by the Lessor and Lessee.

IV. Termination of the Agreement and Responsibilities of the Parties

- 4.1 The agreement conditions may be changed officially by the mutual consent of the parties.
- 4.2 The parties may terminate the agreement prior to its expiration by mutual consent.
- 4.3 The Lessor may claim termination prior to the expiration of the terms of the agreement if the Lessee:
 - fails to maintain and use the leased parcel of land in accordance with the present agreement;
 - subleases the parcel to another party without the Lessee's consent;
 - uses the parcel irrationally or uses methods leading to deterioration of land quality;
 - fails to pay the rent for more than three months after payment deadline;
 - fails to use the parcel within two years.
- 4.4 Upon expiration of the agreement, the Lessee shall return the land parcel to the Lessor in the same condition he received it.
- 4.5 After expiration or termination of the agreement, the Lessor shall cover expenses on perennial crops planted by the Lessee with the Lessor's consent. If the Lessor did not consent, the perennial crops shall be transferred to the Lessor's ownership with no right to the Lessee to get compensation..
- 4.6 After expiration or termination of the agreement, buildings and installations built on the leased parcel by the Lessee with official consent of the Lessor, shall be transferred to the Lessor. In this case, the Lessee has the right to request compensation of costs. If there was not consent from the Lessor, the buildings and installations shall be transferred to the Lessor, with no right for the Lessee to get compensation.
- 4.7 After expiration or termination of the agreement, all expenses on improvement (irrigation systems, etc.) built at the Lessee's expense with the consent of the Lessor, shall be compensated by the Lessor. If there is not consent from the Lessor, the Lessee does not have the right for compensation.

V. Final Provisions

- 5.1 If three months before the deadline neither party officially announce termination, the agreement shall be continued for the next year.
- 5.2 Issues not stipulated in this agreement shall be solved according to current legislation.
- 5.3 This agreement was drafted on _____ pages in two copies with a copy held by each party.
- 5.4 This agreement shall be registered in the cadastral register at the Mayor's office of the corresponding village.

VI. Address of the Parties

LESSOR
Address _____

LESSEE
Address _____

Signature _____

Signature _____

Collective Property Lease Contract

(Received as property shares from the farm that is reorganizing _____.)

The owners of the property, received as property shares during the reorganization of the farm _____, hereinafter referred to as "Lessors" (*Annex 1*)
(name of the farm)

and _____, hereinafter referred to as the "Lessee", on behalf of _____, acting on the basis of _____, have concluded this contract providing the following:

1. General Provisions

- 1.1. The Lessors lease their property to the Lessee who assumes responsibility for the property and commits to take care of it. The Lessee agrees to use the property for the agricultural purposes specified in *Annex 2*.
- 1.2. The term of the contract is for _____ year(s).
- 1.3. The contract begins as of "____" _____ 199_____.

2. Rights and Obligations of the Parties

- 2.1. The Lessors shall transfer the property, within _____ days after the contract begins.
- 2.2. Any delay in transferring the property that causes losses to be incurred by the Lessee, shall empower the latter to compensation by Lessors. If necessary, this compensation can be determined through court.
- 2.3. Leasing out property does not give the Lessee ownership rights, except for particular cases (for example, ownership rights are transferred to the Lessee at the end of the lease term).
- 2.4. The Lessee shall use the property in strict compliance with its stated purpose.
- 2.5. Sub-leasing the property without written permission of the Lessors is forbidden.
- 2.6. The Lessee shall register the property in his name with the respective state bodies.
- 2.7. If the Lessee improves the property with the Lessors' written permission, the Lessee is entitled to remuneration of expenses at the termination or expiration of the contract, if otherwise specified by this contract. At the expiration of the contract, any improvement of the property done without the consent of the Lessors and deemed inseparable from the property shall pass freely to the Lessors.
- 2.8. The Lessee is responsible for maintaining and repairing the property.
- 2.9. If the leased property is deteriorated due to the Lessee's fault, he shall pay compensation for the incurred losses to the Lessors, unless he can demonstrate that he is not at fault.
- 2.10. If parts of the property break before the end of its expected service life due to the Lessee's fault, the Lessee shall compensate the Lessors for the residual value of the property.

3. The Order of Reciprocal Settlements

- 3.1. The Lessee shall pay to the Lessors the rent in the amount of: _____% of the value of active fixed assets (machines and equipment, vehicles, etc.) and _____% of the value of passive fixed assets (buildings, constructions, etc.). The rent can be paid in cash, in kind or a combination of both.
- 3.2. The Lessee shall pay all taxes and other fees required by law.
- 3.3. The in-kind rent shall be estimated based on market prices at the moment when paid, but not less than the production costs.
- 3.4. The rent shall be paid no later than _____ (fill in the date) of each year.
- 3.5. Based on a mutual agreement of the parties, the amount of the lease can be adjusted, if the weather conditions led to sharp changes in the forecasted yield of agricultural crops.

4. The Order of Contract Termination

- 4.1. The provisions of the contract can be modified by mutual consent of the parties. A Party may claim modifications to the contract only in cases provided by law.
- 4.2. Early termination of the contract can occur only if both parties agree.
- 4.3. The Lessors have the right to terminate the contract early if the Lessee:
 - (1) does not maintain and use the property in compliance with its purpose and the conditions stated in the contract;
 - (2) sub-leases the property without the consent of the Lessors;
 - (3) does not pay the rent within three months of the payment due date;
 - (4) does not fulfill his commitments, pertaining to the property maintenance and repairs.
- 4.4. Due to the fact that the present contract is a collective contract, its termination by the Lessors requires a general meeting of at least $\frac{3}{4}$ of the Lessors. The decision shall be made based on majority of votes of the "Lessors" attending the meeting.
- 4.5. Upon completion of the contract the Lessee shall return the property to the Lessor, taking into account normal depreciation.
- 4.6. Any litigation related to the fulfillment of the present contract shall be settled in compliance with current legislation.
- 4.7. This contract has been drawn up in ____ pages with a copy held by each party.

5. Addresses of the Parties

Lessors

(Annex 1)

Lessee

Address: _____

(signature of the enterprise manager)

Date of contract conclusion: " ____ " _____ 19 ____

Annex 1
to the Property Collective Lease Contract
concluded on _____ 199__ in the
village _____ between property share holders
and _____
This annex is part of the contract.

List of property share holders who lease
out property to the enterprise
_____ village _____
raion _____

No	First Name, Middle Name, Last Name	Identity card data	No. of the property share certificate	Property share		Assets		Lessors' address	Lessors' signature
				Entire	Leased out portion	Active	Passive		
1	2	3	4	5	6	7	8	9	10
1									
2									
3									
4									
5									
6									
7									
8									
10									
11									
12									

List of property leased out to the enterprise _____

Annex 5
A(eng)-5(b)

Annex 2 to the Property Collective Lease Contract concluded on _____ 199_ in the village _____ between property share holders and _____

This annex is part of the contract.

No.	Inventory No.	Type of property	Unit of measure	State Registration No.	Value in lei
1	2	3	4	5	6
		1. Buildings and structures			
1					
2					
3					
4					
5					
6					
7					
		2. Machinery and equipment			
8					
9					
10					
11					
12					
13					
14					
		3. Transportation			
15					
16					
17					
18					
19					
20					
21					
		4. Draft and meat cattle			
22					
23					
24					
25					
26					
27					
28					
		5. Perennial crops			
29					
30					
31					
32					
33					
34					
35					

Polling to Identify Leaders

The list proposed by the land and privatization commissions village(town) _____

The proposed list of candidates for leaders of the new private farms:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.

- Cross out candidates you disapprove of.
- You may add your candidate.

The future depends upon your choice!

Minutes of the Land Commission Meeting

" " _____ 199

(place) _____

The members of the Land Commission:

1. _____ - Chairman of the Land Commission
2. _____ - Secretary of the Land Commission
3. _____ - Member of the Land Commission
4. _____ - Member of the Land Commission

Agenda

1. Changing the land entitlement list.

What was presented

1. The Chairman of the Land Commission, Mr. _____, took the floor, concerning the inclusion (in the list) of individuals who previously have been excluded from the land entitlement list: Cucu Mihai Grigore, Cetrus Vasile Ion.
2. Information of the Chairman of the Land Commission concerning the applications submitted by Bezborodico Grigore Alexandru, who inherited the land share from Bezborodico Alexandru Ion.

It has been decided:

1. On the basis of the filed applications to receive a land share certificate and to distribute land from the property of the village Mihaileni to Cucu Mihai Gheorghe, Cetrus Vasile Ion, as well as to include their full names in the land entitlement list in the sub-part A(2) - the farm members who submitted applications to receive land in kind (Cetrus Mihai Grigore is assigned the number 546, identity card series number: XVI-AE, number: 657483, issued: 23.11.1989, JSC Briceni, Cucu Vasile Ion is assigned the number 547, identity card series number XVIII-AE, number 895647, issued: 19.10.1972, JSC Briceni).
2. To exclude from the land entitlement list the sub-part B(2) - full name of deceased person - Bezborodico Alexandru Ion with the assigned the number 45.
3. To include in the land entitlement list the sub-part A(2) - the list of farm members who submitted applications to receive land in kind- Bezborodico Grigore Alexandru (with the assigned the number 872, identity card series number XIII-AE, number 678643, issued: 29.12. 1979, JSC Briceni) on the basis of inheritance certificate nr. 98 as of February 25, 1998.

Chairman of the Land Commission _____
 Secretary of the Land Commission _____
 Member of the Land Commission _____
 Member of the Land Commission _____

Republic of Moldova
 the Mayor's office of the
 village _____, raion _____

" " _____ 199

In accordance with the Article 12 and Article 13 of the Land Code and of the suggestion made by the land commission, the Mayor's office shall DECIDE to:

1. To issue land share certificate and distribute land in kind from the property of the Mihaileni village to Cucu Mihai Grigore, Cetrus Vasile Ion, on the basis of changes made by the land commission in the entitlement list and approved in the Minutes nr.13 as of February 22, 1998
2. To determine the location of parcels to be distributed to the land share owners, who submitted applications to receive land, specified in the item 1.

Mayor _____ (signature) _____ (full name)

Secretary of the Mayor's office _____ (signature) _____ (full name)

Calculation of the Value of Land to be Privatized

The total hectare-points is the sum of the weighted average of fertility points for each land section multiplied by the surface area of each parcel:

FORMULA: Total Hectare-Points of One Type of Land

$$\Sigma P_{HA} = P_1 \times S_1 + P_2 \times S_2 \dots P_n \times S_n$$

Where:

ΣP_{HA} = the total hectare-points;

$P_1, P_2 \dots P_n$ = weighted average of fertility points for land section² #1, 2.. n;

$S_1, S_2 \dots S_n$ = surface area in hectares of land section #1, 2 ... n.

EXAMPLE:

Problem: Determine the total number of hectare-points for the farm land.

Data: The farm land consists of three types of land with the following characteristics:

Land Section #	Surface area (S), ha	Average fertility points (P)
1	22.5	55.0
2	132.5	48.0
3	61.0	71.0

Solution:

$$\Sigma P_{ha} =$$

$$(55P \times 22.5ha) + (48P \times 132.2ha) + (71P \times 61ha) =$$

$$1,237.5 Pha + 6,345.6 Pha + 4,331 Pha =$$

$$11,914.1 Pha$$

Thus, 11,914.1 hectare-points have to be distributed.

²Different sections of collective farms were typically given different fertility ratings by the government surveyors. Thus each section must be considered separately. The sections described here bear no relation to the parcels or lots described in Stage 2 of the manual.

Calculation of Land Share Value

The following formula determines the value of a full land share (where the value of all full land shares will be equal) in hectare-points:

FORMULA: Value Of Each Land Share

$$S_{is} = \frac{\sum P_{ha}}{N_1 + N_2}$$

Where:

- S_{is} = value of a land share computed in hectare-points for persons entitled to full shares (100%).
- $\sum P_{ha}$ = total hectare-points of agricultural land subject to privatization.
- N_1 = number of full land shares to be distributed.
- N_2 = number of land shares to be distributed among persons entitled to partial land shares.

N_2 is computed by the following formula:

$$N_2 = \frac{a_1 b_1 + a_2 b_2 + \dots + a_n b_n}{100\%}$$

Where:

- $a_{1,2,\dots,n}$ = number of persons entitled to partial land shares (respectively $b_1\%$, $b_2\%$..., $b_n\%$ of the full share).

Calculation of Land Share Value (continued)

EXAMPLE:

Problem: Compute the value of each land share in hectare-points.

Data: The land entitlement list includes:

1,200 persons entitled to full shares;
 20 persons entitled to 10% of the full shares;
 45 persons entitled to 15% of the full shares;
 30 persons entitled to 50% of the full shares.
 The total hectare-points, $P_{ha} = 110,220$.

Solution:

$$\begin{aligned} \Sigma P_{ha} &= 110,220 \text{ (total hectare-points)} \\ N_1 &= 1,200 \text{ (full shares to be distributed)} \\ N_2 &= \frac{(20\text{per.} \times 10) + (45\text{per.} \times 15) + (30\text{per.} \times 50)}{100} = \frac{2375}{100} = 23.75 \text{ shares} \\ &\hspace{15em} \text{(to be distributed in portions)} \end{aligned}$$

Therefore:

$$S_{st} = \frac{\Sigma P_{ha}}{N_1 + N_2} = \frac{110,220 \text{ Pha}}{1,200s + 23.75s} = \frac{110,220 \text{ Pha}}{1,223.75s} = 90.1 \text{ hectare-points/share}$$

Thus, a full land share has 90.1 hectare-points.

Every person not entitled to a full land share receives:

for 10% $(90.1 \times 10) : 100 = 9.00$ hectare-points;
 for 15% $(90.1 \times 15) : 100 = 13.50$ hectare-points;
 for 50% $(90.1 \times 50) : 100 = 45.05$ hectare-points.

This computation was made for the whole area of agricultural land subject to privatization.

Calculation of Land Share Value with Multiple Types of Land

To calculate the hectare points and value of a land share for a collective farm with several multiple types of agricultural land, use the following example.

EXAMPLE:

Problem: Compute the hectare-points of a full land share involving multiple types of agricultural land.

Data: The total surface area of land subject to privatization is 2,370 ha. One land section is arable land covering 1,470 ha. rated 76.0 fertility points; one land section is a vineyard covering 580 ha. rated 62.0 fertility points and one land section is an orchard covering 320 ha. rated 68.0 fertility points. The total number of full shares is 1,352 and there are no partial shares.

Solution: The total value of a land share based on multiple types of agricultural land is computed by adding the total hectare-points per share yielded by each type of land:

Portion of Land Share Derived from Arable Land

$$\frac{1,470\text{ha} \times 76.0 \text{ P}}{1,352 \text{ shares}} = \frac{111,720 \text{ Pha}}{1,352 \text{ shares}} = 82.6 \text{ Pha/share of arable land}$$

Portion of Land Share Derived from Vineyards

$$\frac{580 \text{ ha} \times 62.0 \text{ P}}{1,352 \text{ shares}} = \frac{35,960 \text{ Pha}}{1,352 \text{ shares}} = 26.6 \text{ Pha/share of vineyard}$$

Portion of Land Share Derived from Orchards

$$\frac{320 \text{ ha} \times 68.0 \text{ P}}{1,352 \text{ shares}} = \frac{21,760 \text{ Pha}}{1,352 \text{ shares}} = 16.1 \text{ Pha/share of orchard}$$

To compute the total value of each full land share add:

$$\begin{aligned} & 82.6 \text{ hectare-points/share of arable land} \\ & 26.6 \text{ hectare-points/share of vineyards} \\ + & 16.1 \text{ hectare-points/share of orchards} \\ & \text{total } 125.3 \text{ hectare-points/land share} \end{aligned}$$

Initial data and the computation are shown in the following table.

Type of land	Surface area (S), hectares	Weighted average of fertility points (P)	Hectare-points	Value of shares in hectare-points
Arable land (1 parcel)	1,470	76.0	111,720	82.6
Vineyards (1 parcel)	580	62.0	35,960	26.6
Orchards (1 parcel)	320	68.0	21,760	16.1
Total	2,370	71.5*	169,440	125.3

- To find the weighted average total of fertility points divide the total number of hectare-points by the total surface area.

Published Lot Descriptions

General Characteristics of Arable Land Fertility

Lot #	Surface area, ha	Average fertility degree	Hectare-points	Number of land shares
1	2	3	4	5
Total				

General Characteristics of Fertility of Orchards

Lot #	Surface area, ha	Average fertility degree	Hectare-points	Number of land shares
1	2	3	4	5
Total				

General Characteristics of Fertility of Vineyards

Lot #	Surface area, ha	Average fertility degree	Hectare-points	Number of land shares
1	2	3	4	5
Total				

General Characteristic of Lots in Fertility Points and Estimated Cost of Fixed Assets Located on These Lots

Lot #	Arable Land		Vineyards		Orchard		Total		
	surface area, ha	hectare-points	number of shares						
1	2	3	4	5	6	7	8	9	10

Coordinated
Territorial Agency of the Ministry
of Privatization and State Property Administration _____
“ ” _____ 199__

Approved
General Meeting _____
“ ” _____ 199__

Statement of Appraised Value of Fixed and Intangible Assets
as of “ ” _____ 199__

#	Inventory no.	Item of fixed and intangible assets	Month and year when the asset was put into operation	Full book value, lei	Market value			Recoverable value, lei (col.5 x col.8)	Realistic useful life, %			Code of standard depreciation/amortization payments	Yearly depreciation/amortization rate, %	Wear and tear, %			Amount of physical wear and tear, lei (col.9 x col.17:100)	Appraised value, lei (col.9 - col.18)
					assumed when full book value was determined	as of appraisal date	price ratio (col.7/c ol.6)		years	months	years total			standard	expected	assumed in calculations		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
	Total																	

Chairman of the property commission: _____
(signature) (first name, last name)

Property commission members: _____
(signature) (first name, last name)

(signature) (first name, last name)

Coordinated
 Territorial Agency of the Ministry
 of Privatization and State Property Administration _____
 “ ” _____ 199__

Approved
 General Meeting _____
 “ ” _____ 199__

Statement of Appraised Value of Equipment to be Installed, Unfinished Constructions and Other Non-Current Assets

as of “ ” _____ 199__

#	Inventory no.	Item	Duration of construction (from...to...)	Full book value, lei	Market value, lei			Recoverable value, lei (col.5 x col.8)	Quality ratio	Appraised value, lei (col.9 x col.10)
					assumed when full book value was determined	as of appraisal date	price ratio (col.7:col.6)			
1	2	3	4	5	6	7	8	9	10	11

Chairman of the property commission: _____
 (signature) (first name, last name)

Property commission members: _____
 (signature) (first name, last name)

 (signature) (first name, last name)

Coordinated
Territorial Agency of the Ministry
of Privatization and State Property Administration _____
" ____ " _____ 199__

Approved
General Meeting _____
" ____ " _____ 199__

Statement of Appraised Value of Current Assets

as of " ____ " _____ 199__

#	Item of current assets	Registration no.	Unit of measurement	Quantity	book value (acquisition)	Value, lei		Value, lei		Amount, lei	
						effective value (market)	price ratio (col.7:col.6)	shown in records (col.5 x col.6)	appraised (col.9 x col.8)	decrease on appraisal	increase on appraisal
1	2	3	4	5	6	7	8	9	10	11	12
Total											

Chairman of the property commission: _____
(signature) (first name, last name)

Property commission members: _____
(signature) (first name, last name)

(signature) (first name, last name)

Coordinated
Territorial Agency of the Ministry
of Privatization and State Property Administration _____
" " _____ 199

Approved
General Meeting _____
" " _____ 199

Statement of Appraised Value of Financial Assets and Liabilities

as of " " _____ 199

#	Items of assets and liabilities	Value, lei		Amount of losses arising on doubtful debts, lei
		accounting (book value)	appraised	
1	2	3	4	5
	I. Assets			
1.	Long-term financial investments			
2.	Cash in hand, at the bank etc.			
3.	Trade receivables (for goods and services, promissory notes received), including doubtful debts			
4.	Settlements with the budget, employees and other debtors			
5.	Prepayments to suppliers and contractors of which doubtful debts			
6.	Short-term financial investments			
7.	Other current assets including surplus spending arising on special funds			
	Total			
	II. Liabilities			
8.	Long-term credits and borrowings			
9.	Short-term loans and borrowings			
10.	Trade payables (for goods and services, promissory notes given out)			
11.	Settlements on non-budgetary payments, with the budget, on the excise tax, VAT, social and other kinds of insurance, salaries and wages and with other creditors			
12.	Prepayments received			
13.	Provisions for doubtful debts, future expenses and payments			
14.	Deferred income and other short-term liabilities			
15.	Funds of social development and stimulation			
	Total			

Chairman of the property commission: _____

(signature)

(first name, last name)

Property commission members: _____

(signature)

(first name, last name)

(signature)

(first name, last name)

Coordinated
Territorial Agency of the Ministry
of Privatization and State Property Administration _____
" ____ " _____ 199__

Approved
General Meeting _____
" ____ " _____ 199__

Statement of Appraised Value of Fixed and Intangible Assets

as of " ____ " _____ 199__, thousand lei

#	Items of fixed and intangible assets	Full book value	Value	
			recoverable	appraised
1	2	3	4	5
	I. Fixed manufacturing assets			
1.	Buildings, constructions, conveyor belts			
2.	Machines and equipment			
3.	Computers and other similar devices			
4.	Transportation vehicles			
5.	Instruments (manufacturing and administrative)			
6.	Livestock			
7.	Perennial crops			
8.	Substantial land improvements (constructions excluded)			
9.	Other fixed assets			
	Total			
	II. Fixed non-manufacturing assets			
10.	Housing stock of which to be privatized			
11.	Social sphere facilities of which to be privatized			
12.	Other fixed assets			
	Total			
	Fixed assets - total			
	III. Intangible assets			
13.	Patents, licenses, know-how, software			
14.	Trademarks (service mark)			
15.	The right to extract natural resources			
16.	Other intangible assets			
	Total			
	Total (I+II+III)			

Chairman of the property commission: _____

(signature)

(first name, last name)

Property commission members: _____

(signature)

(first name, last name)

(signature)

(first name, last name)

Coordinated
Territorial Agency of the Ministry
of Privatization and State Property Administration _____
" " _____ 199__

Approved
General Meeting _____
" " _____ 199__

**Statement of Appraised Value of Equipment to be Installed, Unfinished Constructions and
Other Non-Current Assets**

as of " " _____ 199__, thousand lei

#	Item	Full book value	Value	
			recoverable	appraised
1	2	3	4	5
	I. Equipment to be Installed			
1.	Machines and equipment			
2.	Other similar assets			
	Total			
	II. Unfinished constructions			
3.	Buildings, constructions, conveyor belts used for manufacturing purposed			
4.	Non-manufacturing buildings and constructions (except for housing stock) of which subject to privatization			
5.	Housing			
	1) 80% finished			
	2) finished above 80%			
	Total			
	III. Long-term financial investments			
6.	Long-term financial investments			
	IV. Other non-current assets			
7.	Other non-current assets			

Chairman of the property commission: _____
(signature) (first name, last name)

Property commission members: _____
(signature) (first name, last name)

(signature) (first name, last name)

Coordinated
Territorial Agency of the Ministry
Meeting _____
of Privatization and State Property Administration _____
" ____ " _____ 199 ____
_____ 199 ____

Approved
General
" ____ "

Statement of Appraised Value of Current Assets

as of " ____ " _____ 199 ____, thousand lei

#	Item current assets	Value		Amount	
		shown in books	appraised	of decrease (losses) on appraisal	increase on appraisal
1	2	3	4	5	6
	I. Current assets				
1.	Production supplies				
2.	Cattle for breeding and fattening				
3.	Low-value and short-life items				
4.	Work in progress				
5.	Deferred expenses				
6.	Finished products				
7.	Goods				
8.	Other				
	Total				
	II. Financial current assets				
9.	Cash, receivables and prepayments to suppliers and contractors				
10.	Other assets (surplus spending arising on special funds excluded)				
	Total				
	III. Financial resources that do not belong to the enterprise				
11.	Loans and borrowings				
12.	Payables and prepayments received				
13.	Other liabilities				
14.	Funds of social development and stimulation				
15.	Targeted financing				
16.	Liabilities arising on leases				
17.	Settlements with the founders				
	Total				
	Current financial assets that belong to the enterprise total (I-III)				

Chairman of the property commission: _____
(signature) (first name, last name)

Property commission members: _____
(signature) (first name, last name)

(signature) (first name, last name)

Coordinated
Territorial Agency of the Ministry
of Privatization and State Property Administration _____
" ____ " _____ 199__

Approved
General Meeting _____
" ____ " _____ 199__

Consolidated Statement of Appraised Value of Assets

as of " ____ " _____ 199__

#	Item	Value		
		Full book value	recoverable	appraised
1	2	3	4	5
	I. Appraised value of property fund			
1.	Intangible assets			
2.	Fixed assets - total of which:			
	used for manufacturing purposes			
	used for purposes other than manufacturing			
3.	Equipment to be installed			
4.	Unfinished constructions			
5.	Long-term financial investments			
6.	Other non-current assets			
7.	Current assets			
8.	Financial current assets that belong to the enterprise			
	Total I			
	II. Transferred to the statutory capital of the joint-stock company			
1.	Intangible assets			
2.	Fixed assets - total of which:			
	used for manufacturing purposes			
	used for purposes other than manufacturing			
3.	Equipment to be installed			
4.	Unfinished constructions			
5.	Long-term financial investments			
6.	Other non-current assets			
7.	Current assets			
8.	Financial current assets that belong to the enterprise			
	Total II			
	III. List of items that will be Transferred			
1.	To the local authorities			
2.	To the state enterprise			
3.	Under control of the joint-stock company			
	Total			
	Total (1+2+3)			

Chairman of the property commission: _____

(signature)

(first name, last name)

Property commission members: _____

(signature)

(first name, last name)

(signature)

(first name, last name)

General Meeting Minutes

Excerpt Nr. ____ from the minutes of the general meeting
of employees and pensioners of farm _____
of the village _____ raion

Participants in the meeting * Date _____
As of _____

Agenda:

1. Approve the results of inventory.
2. Approve the appraised value of farm property.
3. Approve the list and the appraised value of social sphere facilities that may be transferred to the balance sheet of the mayor's office.
4. Approve the list and appraised value of assets that will be used by the successor-enterprise to cover the farm's debts.
5. Approve the appraised value of property subject to privatization.
6. Determine property share value (in percentage) to be privatized by the farm employees and pensioners.
7. Determine property share value (in percentage) to be distributed to former farm employees and social sphere workers residing on the farm.
8. Approve method for calculating property share value and for actual distribution of property to farm employees and pensioners.
9. Approve method for distributing property in kind.

The following resolutions have been adopted:

1. Approve the results of inventory (inventory reports are attached):

Vote: _____ for
_____ against
_____ abstained

2. Approve the appraised value of farm property in the amount of ____ lei (appraised value report is attached):

Vote: _____ for
_____ against
_____ abstained

3. Approve the list and the appraised value of social sphere facilities that may be transferred to the balance sheet of the mayor's office (the list is attached) :

Vote: _____ for
_____ against
_____ abstained

4. Approve the list and appraised value of assets that will be used by the successor-enterprise to cover the farm's debts (the list is attached):

Vote: _____ for
_____ against
_____ abstained

* The meeting decisions shall be valid if a sufficient number of farm employees and pensioners is present. The number varies according to the farm's type of enterprise.

Property Share Calculation

FORMULA: Property Share Calculation

Lei value per year worked on farm = $\frac{\text{Total value of the property to be privatized}}{\text{Total years worked on farm}}$

(or other measurement basis established at the general meeting of employees and pensioners)

Overall value of individual property share for person X =

Lei value per year worked on farm * number of years person X worked

Percentage of asset 1 allocated to each person on the property share =

$\frac{\text{Value of asset 1}}{\text{Total value of the property to be privatized}}$

Value of asset 1 on property share for person 1 =

Percentage of asset 1 allocated to each person * overall value of individual property share for person X

Property Share Calculation

EXAMPLE:

Problem: Find the value of the property share for each collective farm member and find the value of the property share broken down by each asset for one farm member.

Data: A farm has a total of five assets worth the following amounts (in lei):

1. Pig sties	36574
2. Tractors	1035328
3. Plows	37296
4. Orchards/vineyards	1500000
5. Cows	103887
Total (lei)	2713085

The farm has a total of five members who have worked the following number of years:

Member a	30
Member b	36
Member c	20
Member d	22
Member e	5
Total Years	113

Solution: Lei Value per Year Worked on Farm = $\frac{2,713,085 \text{ total lei assets}}{113 \text{ total years worked}} = 24,009.6 \text{ Lei per Year Worked on Farm}$

Therefore, the total property share value for each individual equals:

Value of Property Share for Each Member

Individuals Eligible to Receive Property	Years Worked	Lei Value Per Year Worked	Total Property Share Value (Lei)
Member a	30	24009.6	720288
Member b	36	24009.6	864346
Member c	20	24009.6	480192
Member d	22	24009.6	528211
Member e	5	24009.6	120048
Total	113		2713085

Each Asset as a Percentage of Overall Asset Value of Farm

Assets	Value of Assets	Percentage Value
Pig sties	36574	1.34
Tractors	1035328	38.16
Plows	37296	1.37
Orchards/vineyards	1500000	55.29
Cows	103887	3.82
Total	2713085	100

Division of Property Share for Person A

Asset Type	Total Share * Asset Percentage	Value of Property Share Divided by Asset Type (lei)
Pig sties	720288 total share * .0134	9651.86
Tractors	720288 total share * .3816	274861.90
Plows	720288 total share * .0137	9867.95
Orchards/vineyards	720288 total share * .5529	398247.24
Cows	720288 total share * .0382	27515.00
Total Property Share for Person A		720288.00

Computation of Property Shares of People Entitled to a Property Share by Groups of Assets
in the farm _____ as of " ____ " _____ 199 ____

#	Name (last, middle, first)	Year of Birth	Length of service on the farm	Sum of indexed salary	Property share value, lei	Fixed assets by category						Total fixed assets	Unfinished buildings	Equipment to be installed	Current assets	Total sum of estimated assets
						buildings and structures	machinery and equipment	transportation	perennial plants (includes young plants)	draft and dairy cattle	other financial assets					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	The total amount of assets by group															

Cost Standards

#	Type of Assets	Value of assets subject to distribution, lei	Percentage of assets in the total of distributed property, %	Cost standards for actual allocation of property, lei
1	2	3	4	5
I	Buildings and structures including:	3896849	35.1	-
	1. cattle facilities (8,325 i ²)	894505	8.1	1332
	2. cow sties (2,938 i ²)	365874	3.3	3774
	3. buildings, agricultural processing and storage facilities (mill, oil mill, refrigerators)			
	4. management building (1,286 sq.m.)	638415	5.8	-
		347165	3.1	8622
II	Equipment and machinery including:	2086393	18.8	-
	1. tractors (92 pieces) with the hook lift power:	1035328	9.3	120517
	• up to 750 kg (30 p.)	195350	1.8	369586
	• 751 - 1,200 kg (61 p.)	822178	7.4	181763
	• over 3,000 kg (1 p.)	17800	0.2	11087568
	2. wheat harvesting combines (7 p.)	180500	1.6	1583938
	3. corn harvesting combines (3 p.)	20173	0.2	3695856
	4. plows (26 p.)	37296	0.3	426445
	5. seeders (16 p.)	25697	0.2	692973
	6. sprinkles (12 p.)	33848	0.3	923964
	7. cultivators (43 p.)	55365	0.5	257850
	8. trailer (73 p.)	165460	1.5	151884
	9. carts (15 p.)	35736	0.3	739171

Cost Standards (continued)

III	Transport means including	581760	5.2	--
	1. trucks (35 p.)	377986	3.4	316788
	with the tonnage:			
	• up to 3 tons (21 p.)	249078	2.2	527979
	• 3.1 - 5 tons (6 p.)	63400	0.6	1847928
	• 5.1 - 10 tons (4 p.)	35108	0.3	2771892
	• over 10 tons (4 p.)	30400	0.3	2771892
	2. buses (5 p.)	45500	0.4	2217514
	3. truck boxes for carrying grapes (14 p.)	10000	0.1	791969
IV	Perennial plantations	1224709	11.0	--
V	Draft and dairy livestock including	175248	1.6	--
	1. Cows (96 heads)	103887	0.9	115496
	2. Breeding sheep and rams (619 heads)	43949	0.4	17912
	3. Draft horses (22 heads)	20400	0.2	503980
VI	Fixed assets of the winery	1417717	12.8	--
VII	Unfinished buildings	482030	4.3	--
VIII	Equipment to be installed	183394	1.7	--
IX	Material current assets	994678	9.0	--
	• including unfinished products	615883	5.6	18
	• corn seeds (85, 600 kg)	34.240	0.3	324
X	Other fixed assets	44791	0.4	--
XI	Financial assets	--	--	--
	Total of allocated property	11087568	100.0	--

Applications for Participation in the Land Tender

To the Land Commission

_____ village name

raion _____
raion name

Representative Application for participation in the land tender

I, the undersigned _____, identity card series _____, number _____, issued by _____, on _____ 199____, residing at _____, hereby submit this application on my own behalf and on behalf of the citizens I represent and request to be included in the list of participants in the land tender of the farm _____ individually and as a representative of _____ citizens, who hold in total _____ land shares with a total area of _____ hectare-points and _____ property shares in the amount of _____ lei, according to the lists attached to this Application.

Taking into account the total area of _____ hectare-points and _____ lei (as property shares) held by the citizens represented by me, as well as my own area of _____ hectare-points and _____ lei (as property shares) which I hold myself, I hereby claim the following lot (lots) under no. _____.

After the distribution of foregoing described lot (lots) during the land distribution tender, the lot (lots) shall be divided into land parcels for allocation to the land share holders who provided me with their land shares through proxies or proxy agreements. If, after the land distribution tender any land share holder decides that he will farm individually, or to give his land parcel(s) to his children, or to lease his land parcel(s) to a member of a peasant farm, or to lease his land parcel(s) to another enterprise, or if he otherwise decides not to lease his land parcel(s) to me, such land share holder shall receive his land parcel within the described lot (lots) adjacent to a public access road.

Attached to the application are:

1. The list of land share holders represented by me at the land tender.
2. The corresponding proxies of land share holders.
3. Land share certificates in the amount of ____.
4. The list of property share holders represented by me at the land tender.
5. The corresponding proxies from property share holders.
6. Inheritance certificates (if needed) in the amount of ____.
7. Property share certificates in the amount of ____.

“ _____ ” _____ 199____

Signature _____

To the Land Commission

_____ village name

_____ raion

_____ raion name

**Individual Application
for participation in the land tender**

I, the undersigned _____, identity card series _____, number _____, issued by _____, on _____ 199____, residing at _____, hereby submit this application on my own behalf and request to be included in the list of participants in the land tender on the farm _____, individually holding in total _____ land shares with a total area of _____ hectare-points and _____ property shares in the amount of _____ lei.

Taking into account the total area of _____ hectare-points and _____ lei (as property shares), I hereby claim the following parcel (parcels) under no. _____.

Attached to the application are:

1. Land share certificates.
2. Property share certificates in the amount of _____.
3. Inheritance certificates (if needed) in the amount of _____.

“ _____ ” _____ 199____

Signature _____

Memorandum on Contested Lots

Annex to the minutes of the meeting of the land commission # _ from " _ " 199 _

MEMORANDUM

1. This Memorandum has been drawn up and approved by the land commission of the village " _ ", raion _ 199 _ (minutes # _)

2. This memorandum has been drawn up for the purpose of conducting the land tender, and it includes a method to be used to settle cases when two or more applications for one and the same lot were submitted.

3. This memorandum establishes the following method for settling cases when two or more applications for one and the same lot were submitted:

4. (If method other than lottery is selected, include this information.) This memorandum establishes the following order for the application of criteria of the method specified in item 3:

5. The land commission shall apply the method specified in item 3 whether the land tender participants agree or not.

Chairman of the land commission / _____ /

Secretary of the land commission / _____ /

Members of the land commission / _____ /

/ _____ /

/ _____ /

Land tender participants / _____ /

/ _____ /

Minutes no. _____
of the Meeting of the Land Commission

_____ 199__

_____ (place)

The meeting was attended by:

The land commission membership:

Participants:

Agenda

Conducting the land tender.

The Chairman of the Commission, Mr. _____, took the floor, concerning the first item of the agenda. He informed the audience about the quantitative and qualitative characteristics of the land lots and the fixed assets (estimated value of perennial crops), and announced the list of claimants to land lots in accordance with the submitted applications.

The following resolution was adopted:

The Chairman of the Commission, _____, informed the audience of the procedures and conditions of land lot distribution. He noted that lots shall be distributed on a tender basis.

The following conditions shall be applied in case there are more than one claimant for the same land lot:

- _____
- _____
- _____

Distribution shall be carried out in two rounds; the first involves lots with only one claimant (no. _____) and the second involves lots unclaimed in the first round and lots with more than one claimant.

It has been decided:

- 1) To approve the tender rules and ratify the method for land distribution.
- 2) Based on tender results, the following persons representing other individuals on the basis of signed proxies and proxy agreements will receive lots:

Chairman of the Property Commission
Chairman of the Land Commission
Secretary of the Property Commission
Secretary of the Land Commission

Annex to the Decision no. _____ of
the mayor's office

As of
" _____ " _____ 1998

**Table of grouping/arranging of the land share owners
within each lot and the individuals who previously received land**

_____ village (commune), _____ raion

lot nr.	group of the individuals or the persons representing them	The number of each person within the lot			The number of each share within the lot		
		the number of the represented persons	the number of the deceased persons	total	the number of the represented persons	the number of the deceased persons	total
	Individuals who previously received land						
1	Full name of the representatives						
2	Individual farmers						
3	Individuals who did not submit applications						
	Total:			*			

* The total number of the land share holders include: the total number of persons who previously received land and the individuals included in the list of land share holders in compliance with all explanations and changes made by the Decision of the mayor's office (if any).

Excerpt from Minutes of the Land Commission Meeting

**Excerpt no. _____
from minutes no. ____ of the
Land Commission Meeting**

_____ 199__
(place)

1. Based on the results of the land tender as of
_____ 199__ the lot no. _____ is deemed allocated.

2. The estimated lot value in hectare-points is
_____ hectare-points.

3. The estimated lot value in lei is _____ lei.

4. Lot no. _____ shall be held by _____
(name, surname)

on behalf of the land share owners based on the concluded proxies and proxy agreements.

Identity card series _____ no. _____
issued by _____

Chairman of the Land Commission _____

(signature)

(name, surname)

Chairman of the Property Commission _____

(signature)

(name, surname)

Tender Participant _____

(signature)

(name, surname)

Grouping/Arranging List

_____ farm, _____ village, _____ raion

CHART

to group landholders, arranged by sectors (fields, land with perennial crops), by leader _____

(total _____ pages)

Part 1

Sub-grouping	No.	The number of the shareholders from the general list	Full name	Land share %	Arable land, no.710				Surface area (hectares)	Soil fertility (point)	Point-hectares	
					Surface area (hectares)	Soil fertility (point)	Point-hectares					
1	2	3	4	5	6	7	8	9	10	11	12	13
I	1	10	Ababii Ion Vasilievici	100								
	2	11	Ababii Alexandra Iacovlevna	100								
	3	16	Ababii Ana Sergheievna	20								
	4	20	Bass Antonina Iachimovna	10								
	5	28	Bondarenco Elena Nichiforovna	100								
II	6	50	Volovet Andrei Andreevici	100								
	7	51	Volovet Victor Stepanovici	50								
	8	52	Volovet Mihail Stepanovici	33								
III	9	1	Volcioc Elena Ivanovna	200								
	10	86	Diduh Tamara Nicolaevna	300								
	11	3	Calmoi Elena Ivanovna	200								
	12	192	Bondari Ion Vasilievici	130								
	13	17	Bondari Vasile Vasilievici	200								
	14	18	Bondari Gheorghii Ivanovici	100								
			etc.									
			Total: (number of persons included in this list)									
			366 shareholders with 349 full shares									
			including: 300 - 1									
			200 - 5									
			etc.									

Leader's signature _____

Mayor's signature _____

page 1

Guidelines for Grouping and Arranging

the farmers within each arable field and land with perennial crops

1. General provisions

1.1. Grouping - the formation of a group of eligible farmers, that shall be arranged within each arable field or land with perennial crops.

1.2. Arranging - the preparation of the farmers grouping list, developed in a certain order on the basis of the common agreement of the farmers.

1.3. Arable parcel - a part of arable field, that is allocated to a land share holder.

1.4. Parcel with perennial crops - a sector of land with perennial crops, that is distributed to a land share holder.

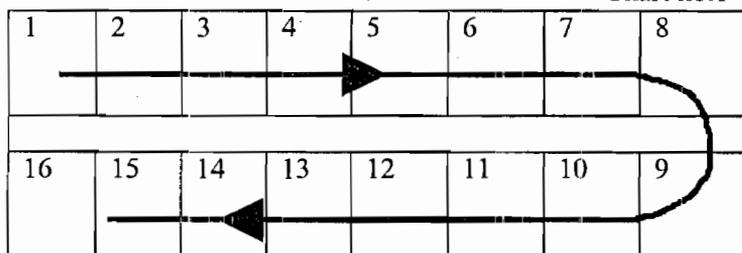
2. The procedure of grouping and arranging the farmers within an arable field and land with perennial crops.

2.1. The surveyor shall use the materials developed under the previous steps (cartographic map, anti-erosion scheme), in calculating the surface area of arable fields and land with perennial crops subject to privatization. On the basis of the surface areas, the number of full equivalent land shares and average soil fertility per farm, the surveyor shall calculate the average surface area and the value of one equivalent land share in point-hectares.

2.2. Then, the surveyor shall prepare the preliminary land arrangement project using the calculations specified in item 2.1., indicating the number of full shares per each field or land with perennial crops and the method of locating persons within each arable field. The preliminary land arrangement project shall be coordinated with the Mayor's Office and the leaders.

For example:

Chart no.1



On the basis of the preliminary land arrangement project, the leaders shall group and arrange the parcels of farmers within each field and land with perennial crops and shall prepare the lists. The lists shall be hand written in the first five columns of the chart, that is attached to this guideline, for each category of land (arable, vineyard, orchard) as specified herein after:

a) The name of the farm, village (commune) and rayon shall be specified on the top of the page. Below shall be indicated land category (arable, vineyard, orchard) and field number indicated in the basic cartographic map, for which the list is prepared. The total number of pages of this list shall, also, be indicated on the top of the first page. The page number shall be indicated at the bottom of the page. On the last page the leader shall mark the number of persons included in this list, the number of full shares, the date when this list was prepared. The list shall be signed and approved by the Mayor's Office.

b) The subgroup of farmers who prefer to have their parcels located in the neighborhood (a group of relatives, neighbors, friends, etc.) shall be indicated in the first column of the chart form. These subgroups may include 2-5 people or more, and each subgroup shall be underlined with a bold line.

c) The sequence number from this list shall be indicated in the second column and shall match with the number of parcels distributed within each field or land with perennial crops.

For example: parcel no.2 (Chart no.1) shall be allocated to the farmer no.2 from the list (which is Ababii Alexandra Iacovlevna in this case).

d) Column no.3 shall mark the number from the general list, which was approved by the Mayor's Office.

e) Column no. 4 shall register the full names of farmers.

f) Column no.5 shall indicate the size of the land share (%).

List of vineyard and orchard shall be prepared similarly. These lists shall include only people who have the right to perennial crops.

2.3. The groups of individuals to be arranged within each arable field and land with perennial crops can be created based on the following criteria:

a) residence (it's preferable that the farmers are arranged within lots closer to their residence).

b) relatives, neighbors, interests.

c) picking up randomly. Suppose a leader must group 180 people within 4 fields: field no.1 - 63 people, field no.2 - 38 people, field no.3 - 15 people, field no.4 - 64 people. The leader shall prepare 180 tickets, indicating the numbers thereon. People who will pick up the tickets with numbers 1-63, shall be arranged within field no.1, people who will pick up the tickets with numbers 64-101, shall be arranged within field no.2, etc. After picking up the tickets randomly, the farmers are allowed to exchange their tickets.

The farmers can be arranged within the field applying the same procedure.

Note: the total number of people grouped and arranged shall match with the number indicated in the general lists. Any changes to the general lists shall be approved by land commissions and Mayor's Offices through relevant decisions.

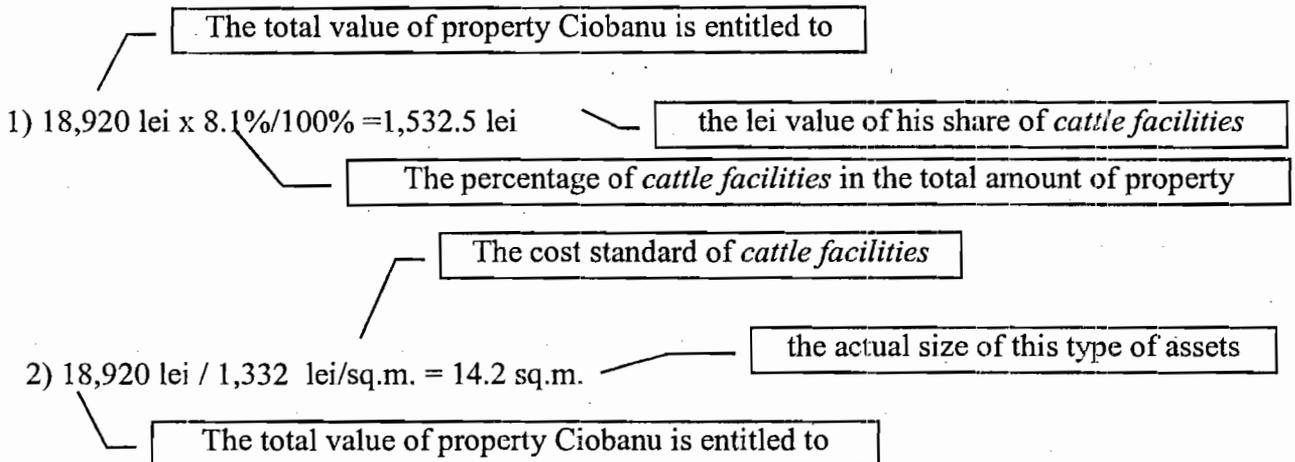
Property Share Structure by Property Category

Example

The following example corresponds to Annex 21 "Structure of Allocated Assets and Cost Standards".

Mr. Ciobanu, a farm member received a property certificate in the amount of 18,920 lei. The actual size of property shall be of:

1. Cattle facilities (8.1% of the total value of property with a cost standard of 1,332 lei/sq.m.)



2. Pig facilities (3.3% of the total value of property with a cost standard of 3,774 lei/sq.m.)

$$18,920 \text{ lei} \times 3.3\% : 100\% = 624.4 \text{ lei (the lei value of his share of pig facilities)}$$

$$18,920 \text{ lei} : 3,774 \text{ lei/sq.m.} = 5 \text{ sq.m. (the actual size of this type of assets)}$$

3. Tractors

$$18,920 \times 9.3\% : 100\% = 1,760 \text{ lei (the value in lei of his share of tractors)}$$

with the hook lift power of up to 1,400 kg (1.8% of the total value of property with a cost standard of 369,568 lei/unit)

$$18,920 \text{ lei} \times 1.8\% : 100\% = 340.6 \text{ lei}$$

$$18,920 \text{ lei} : 369,568 \text{ lei} \times 100\% = 5.1\%$$

Mr. Ciobanu's share in one unit of this specific type of asset

with the hook lift power of up 1,400 - 3,000 kg (7.4% of the total value of property with a cost standard of 181,763 lei/piece)

$$18,920 \text{ lei} \times 7.4\% : 100\% = 1,400 \text{ lei}$$

$$18,920 \text{ lei} : 181,763 \text{ lei} = 10.4\%$$

4. Trailers (1.5% with a cost standard of 151,844 lei/piece)

$$18,920 \text{ lei} \times 1.5\% : 100\% = 283.8 \text{ lei}$$

$$18,920 \text{ lei} : 151,844 \times 100\% = 12.5\%$$

5. Trucks (3.4% with a cost standard of 527,979 lei/piece)

$$18,920 \text{ lei} \times 3.4\% : 100\% = 643.3 \text{ lei}$$

$$18,920 \text{ lei} : 527,979 \text{ lei} \times 100 = 3.6\% \text{ of a truck}$$

6. Cows (0.9% with a cost standard of 115,496 lei)

$$18,920 \text{ lei} \times 0.9 \% : 100\% = 170.3 \text{ lei}$$

$$18,920 \text{ lei} : 115,496 \text{ lei} \times 100\% = 3.6\%$$

7. Share in the winery (12.8%)

$$18,920 \text{ lei} \times 12.8\% : 100\% = 2421.8 \text{ lei}$$

15. Share in unfinished buildings (4.3%)

$$18,920 \text{ lei} \times 4.3\% : 100\% = 813.6 \text{ lei}$$

The total amount of calculated shares in every type of assets must equal the total amount of property a person is entitled to.

- According with this methodology, the person entitled to property cannot get a tractor for himself solely or another piece of equipment. The property share owners may need to combine their property shares in order to receive a tractor or other piece of equipment of significant value. Then, they shall sign a lease agreement on property with the leader who has his own farm.

Note:

1. The documents with the estimated value of the indivisible fixed assets that may not be divided (winery, mills, etc.) are attached to the property certificate expressed in monetary units, in lei.
2. The annex to the property certificate on "Perennial Crops" shows the actual value of crops, including the value of trellis.

EXAMPLE:

Mr. V. Ciobanu, farm member received a property certificate in the amount of 18,920 lei. His estimated share in perennial crops is: $18,920 \times 11\% / 100\% = 2,081.2 \text{ lei}$ (in accordance with the estimated property shares).

The actual amount of perennial crops he received is of 2,120 lei. The difference will be compensated by adding or subtracting from the actual size of other assets.

Applications for Participation in the Property Tender

Representative's Application

To the Property Commission of _____
the farm
from _____
identity card serial _____ no.
_____ issued by _____
place of residence _____

APPLICATION

I hereby request to be included in the list of participants in the Property Distribution Tender of the _____ farm, representing _____ property share holders.

Attached to the application are:

1. Property certificates in the total number of _____ and the total amount of _____.
2. The corresponding proxies from property share holders in the total number of _____.
3. List of contested assets.
4. Inheritance certificates in the total number of _____.

Date _____

Signature _____

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Application submitted by the Individuals Participant

To the Property Commission of _____
the farm
from _____
identity card serial _____ no.
_____ issued by _____
place of residence _____

APPLICATION

I hereby request to be included in the list of participants in the Property Distribution Tender of the _____ farm.

Attached to the application are:

1. Property certificates in the total number of _____ and the total amount of _____.
2. List of contested assets.
3. Inheritance certificates in the total number of _____.

Date _____

Signature _____

List of Desired Property
of _____

No.	Inventory No.	Name of fixed assets	Date month, year of first usage	Number of Objects, in units	Estimated Value in Lei
I. Buildings and edifices					
	Total				X
II. Machinery and equipment					
	Total				X
III. Vehicles					
	Total				X
IV. Draft and dairy cattle					
	Total				X
...					
	Total				X

Signature _____

Memorandum on Contested Property

Annex to the minutes of the meeting of the property commission # _ as of " _ " _ 199_

MEMORANDUM

1. This memorandum has been drawn up and approved by the property commission of the farm _____, village _____, raion _____ " _ " _____ 199_ (minutes # _____)

2. This memorandum has been drawn up for the purpose of conducting the farm _____ property tender, and it includes a method to be used in settling cases when two or more applications for one and the same property unit have been submitted.

3. This memorandum establishes the following method of settling cases when two or more applications for one and the same property unit have been submitted:

4. (If the method other than lottery is selected, include the following information.) This memorandum establishes the following criteria for the application of the method specified in item 3 as follows:

5. The property commission of the farm _____ shall apply the method specified in item 3 regardless the agreement of the participants in the property tender.

Chairman of the property commission / _____ /

Secretary of the property commission / _____ /

Members of the property commission / _____ /

/ _____ /

/ _____ /

Participants in the property tender / _____ /

/ _____ /

Minutes of the Property Commission Meeting

Minutes no. _____
of the Property Commission Meeting

“ ” _____ 199

_____ (place)

The meeting was attended by:

Property Commission membership: _____

Participants: _____

Agenda:

Conducting the property tender.

The Chairman of the Commission, Mr. _____, took the floor concerning the first agenda item. He informed the audience about the quantitative and qualitative characteristics of the property and announced the list of claimants to property in accordance with the submitted applications.

The Chairman of the Commission, Mr. _____, informed the audience on the procedures and conditions of property distribution. He noted that property is distributed on a tender basis.

In case there are more than one claimant for the same asset, the following method shall be applied, in accordance with this memorandum drawn up by the property commission:

- _____
- _____

The property distribution shall be carried out in two rounds; the first involves property with only one claimant (no. ____) and the second involves unclaimed property or property with more than one claimant.

It has been decided:

- 1) To approve the tender rules and ratify the method for property distribution.
- 2) Based on tender results, the following participants representing other individuals on the basis of signed proxies and proxy agreements will receive property:

Chairman of the Property Commission _____
Secretary of the Property Commission _____
Members of the Property Commission _____

Attachment to the Minutes of the Property Commission Meeting
 Table of property tender results at _____ farm

No	Inventory No.	Name of fixed assets	Date month, year of first usage	Number of Objects, in units	Estimated Value in Lei
I. Buildings and edifices					
	Total				X
II. Machinery and equipment					
	Total				X
III. Vehicles					
	Total				X
IV. Draft and dairy cattle					
	Total				X
...					
	Total				X

Chairman of the Property Commission _____
 Members of the Property Commission _____

Participants in the tender _____

Excerpt from Minutes of the Property Commission meeting

Excerpt No. _____
from minutes no. _____ of the
property commission meeting at the farm _____
(farm's name)

_____ 199 ____
" " _____
(place)

Based on the property tender results, the property has been distributed to _____
who represented the interests of _____ property share holders.

(The list of property is included in Annex __ of this minutes).

Chairman of the Property Commission _____

Secretary of the Property Commission _____

Participant in the Tender _____

Sample Foundation Documents

“Registered”
State Registration Chamber of
the Ministry of Justice of
Republic of Moldova.

#. _____
as of ” ” 19__

village _____

(date)

Decision

On the foundation of the peasant farm

The undersigned citizen(s) of Republic of Moldova

Full name: _____

Date of birth: _____

Identity card series number: _____

Issued by: _____

Address: Republic of Moldova, raion _____, village _____

Citizen of Republic of Moldova # _____, SP _____, as of

“ ” 199__ hereinafter referred to as Founder(s).

_____ (hereinafter referred to as the “Founder”) is the owner of the land, transmitted by
decision of the _____ mayor’s office as of _____ based on Article 2 of the
Moldovan Law on Peasant Farms; on the basis of the right to a share of land we decided:

1. To create the Peasant Farm named _____
2. Legal address: Republic of Moldova, _____ raion, village _____
3. Main activities:
 - _____
 - _____
 - _____
 - _____
 - _____
4. The agricultural land which he is entitled to equals _____ (_____) ha.
5. The peasant farm shall be liquidated in accordance with the legislation of the Republic of Moldova.
6. The leader of the Peasant Farm is _____, born _____, resident of the village of _____, raion _____.

Founder (founders)

_____/_____
(signature) / (printed name)

Mayor’s office seal

I certify this to be a true signature
Mayor: _____

Foundation Agreement
of _____ **Limited Liability Company**

This agreement shall be signed by and between the persons hereinafter referred to as the Founders:

1. _____ (Name and address)
 _____ (Identity card number, place and date of issuance)
 _____ (Citizenship number)
 _____ (Date and place of registration)
 _____ (Place of work)
2. _____ (same information for next founder)
3. _____ (same information for next founder)
4. _____ (same information for next founder)

1. The Founders have agreed to establish _____ Limited Liability Company (hereinafter referred to as the Company).
2. The Company's main office shall be located at _____.
3. Main activities:
 - _____
 - _____
 - _____
4. In order to start its activities the Company shall establish the Statutory Capital in the amount of no less than _____ lei.
5. The Founders shall contribute their shares to the Statutory Capital in cash in the following amounts:

#	Founders Name	Contribution, lei	Share, %
1			
2			
3			
4			
			100%

6. The Founders have agreed to establish the Statutory Capital of the Company in the amount of _____ lei. The bank account number is _____, personal account _____
7. The Founders shall deposit ___%(40% or 100%) of the Company's Statutory Capital at the registration date of the company.
8. The Founders of the Company have the right to:
 - a) manage the Company;
 - b) make profit proportionally to their share in the Statutory Capital according to the Legal Statute of the Company;
 - c) receive complete information on the company activity, obtain balance sheet data, reports and other documents.
9. The Founders of the Company are responsible for:
 - a) depositing their contribution according to the procedure established by this agreement and the Legal Statute of Company;
 - b) not disclosing any confidential information regarding the activities of the Company;
 - c) observing the provisions of the foundation documents;
 - d) fulfill their responsibilities to the Company.

THE FOUNDERS:

1. (signatures)
- 2.
- 3.

Legal Grounds for Privatization and Reorganization

Farm privatization and reorganization are regulated by several legal acts of the Republic of Moldova adopted in 1991-1997.

1. **The Constitution of Moldova adopted on July 29, 1994.** (*Monitorul Oficial* no. 1 of 1994). Article 46 stipulates the private ownership right guaranteed by the state. No one can be deprived of his or her property, unless otherwise provided by law.
2. **The Civil Code of the Republic of Moldova** adopted on December 26, 1964 (as amended and modified).
3. **The Labor Code, adopted on December 26, 1964 (as amended and modified).**
4. **The Law on Property of January 22, 1991** (*Monitorul Oficial* no. 3,4,5,6 of 1991) establishes property types and forms, procedures of property creation and the subjects of ownership rights.
5. **The Law on Privatization of July 4, 1991** (*Moldova Suverana* of July 7, 1991) as amended and modified (*Monitorul Oficial* no. 1,5 of 1993; no. 4 of 1994; no. 65-66 of 1995) establishes that members of collective farms, including pensioners, are entitled to a share in the farm property. The farm members establish the percentage of property to be distributed to the social sphere workers residing on the farm.
6. **Government Decision no. 500 on Approval of Regulations on Economic Entities in the Republic of Moldova of September 10, 1991** (*Monitorul Oficial* no. 2 of 1992) establishes the procedure of creation of economic entities, the legal status of its members, organizational structure and principles of administration, the procedures of reorganization and liquidation of the economic entities.
7. **The Land Code of December 25, 1991** (*Moldova Suverană* of February 5, 1992) as amended and modified (*Monitorul Oficial* no. 3 of 1993; no. 5 of 1995; no. 10 of 1996; no. 43-44 of 1997) establishes state and private land ownership and the procedure of issuance the documents certifying ownership rights to land.
8. **The Law on Peasant Farms of January 3, 1992** (*Monitorul Oficial* no. 1 of 1992) establishes the economic, social and legal grounds for peasant farms and their associations on the territory of Moldova.
9. **The Law on Entrepreneurship and Enterprises of April 1, 1992** (*Monitorul Oficial* no. 2 of 1994) as amended and modified (*Monitorul Oficial* no. 6 of 1994; no. 7, 33 of 1995; no. 20-21 of 1996; no. 63, 67 of 1997) offers farmers the opportunity to choose a legal form for the new enterprise. This may be an individual enterprise, full or limited partnership, limited liability company, cooperative, joint-stock company or another form.
10. **The Law on Lease of January 14, 1992** (*Monitorul Oficial* no. 1 of 1992) as amended and modified (*Monitorul Oficial* no. 33, 70 of 1995) establishes the concept of rent relations and determines the procedures of land rent.
11. **The Law on Cooperatives of January 16, 1992** (*Monitorul Oficial* no. 1 of 1992) stipulates the types of cooperatives in Moldova and establishes the legal status of each type of cooperative (production, consumption or mixed).
12. **Government Decision no. 50 on the Approval of the Regulations on Registration of**

Moldovan Enterprises with annexes approved by of January 29, 1992 (*Monitorul Oficial* no. 2 of 1992) establishes the documents necessary for enterprise registration and the registration procedure.

13. Government Decision no. 52 on the Approval of the Regulations on the State Commercial Register of the Enterprises of January 29, 1992 (*Monitorul Oficial* no. 2 of 1992).

14. The Government Decision on the Approval of Regulations on Village, Town, City and District Land Commissions of March 3, 1992 (*Monitorul Oficial* no. 3 of 1992) establishes the procedure of land commission organization, their rights, sphere and type of activity.

15. The Law on Foreign Investments of April 1, 1992 (*Monitorul Oficial* no. 4 of 1992) as amended and modified (*Monitorul Oficial* no. 7 of 1994; no. 28 of 1996) establishes the types of foreign investments, procedures of foundation and registration of enterprises with foreign investment. It establishes the enterprise the priority purchase right to the land plot on which manufacturing premises, warehouses and enterprise management are located; provides customs and tax privileges as well as state guarantees to investors.

16. Government Decision no. 449 on the Approval of Standard Forms of Documents Certifying the Right to Ownership, Possession and Use of Land (with annexes) of June 29, 1992 (*Monitorul Oficial* no. 6 of 1992) as amended and modified on August 10, 1993 (*Monitorul Oficial* no. 8 of 1993) establishes the unique forms of documents for people who have land ownership rights as well as the right to possession and use of land.

17. Government Decision no. 30 on the Reappraisal of Fixed Assets of January 16, 1996 (*Monitorul Oficial* no. 19 of 1996). This set of legislative documents establishes the procedure of appraising the value of property of enterprises and organizations of the Republic of Moldova and adjustment of this appraisal procedures to the inflation rate for 1992 - 1996.

18. Government Decision no. 361 on Approval of Regulations on Commission for Privatization of Farm Property of June 10, 1993 (*Monitorul Oficial* no. 6 of 1993) stipulates the procedure of setting up the commissions for privatization of farm property, their composition, rights and procedures of meetings.

19. Government Decision no. 600 on Methodology for determining property share of suppliers in processing enterprises included in the balance sheet of farms, and a portion of stock given to them from the stock of state processing enterprises of the agroindustrial complex when they are privatized of September 21, 1993. (*Monitorul Oficial* no.10, 1993).

20. Order no. 5 of the Ministry of Justice of January 19, 1994 establishes the unique forms of documents certifying the private ownership on property shares.

21. Government Decision no. 761 on Approval of Decision on Rehabilitation, Reorganization and Liquidation of Insolvent Enterprises of October 13, 1994 (*Monitorul Oficial* no. 13 of 1994) establishes the procedure of determining insolvency and the procedures to develop, reorganize or to liquidate an enterprise.

22. The Law on Administrative-Territorial Organization of the Republic of Moldova of December 7, 1994 (*Monitorul Oficial* no. 3-4 of 1995) established the administrative-territorial division of Moldova. It defines the concept of the village, resident village, municipality, city.

23. The Law on Local Public Administration of December 7, 1994 (*Monitorul Oficial* no. 3,4 of 1995) defines the concept of the local public administration, local public administrative authorities, the procedure of their formation and their rights.

24. Government Decision no. 24 on the Approval of the Regulations on the Basic Land

Cadastral Documentation of January 11, 1995 (*Monitorul Oficial* no.24, 1995).

25. The Law on Accounting of April 4, 1995 (*Monitorul Oficial* no. 28 of 1995) established standard accounting methods and financial statements, the procedures of accounting and drawing up and submitting financial statements.

26. Government Decision no. 561 on the Approval of Methodology for Determining property shares for the founders in Inter-farm Enterprises (Associations) of the Agro-Industrial Complex of August 10, 1995 (*Monitorul Oficial* no. 48-49 of 1995) establishes the manner of determining property shares of founders of inter-farm enterprises (associations) during their reorganization into joint-stock companies.

27. The Law on the State Budget for 1996 of December 29, 1995 (*Monitorul Oficial* no. 2-3 of 1996) establishes land tax rates on different types of land, period for tax payment and the category of people, organizations and enterprises exempted from land tax.

28. The Law on Leasing of February 15, 1996 (*Monitorul Oficial* no. 49-50 of 1996) defines leasing and leasing relations; area of application; objects and subjects to leasing; ways of concluding lease agreements; rights, duties and responsibilities of the parties.

29. The Law on Bankruptcy of March 26, 1996 (*Monitorul Oficial* no. 58 of 1996) establishes the grounds and procedures for determining enterprise bankruptcy.

30. The Law on Joint-Stock Companies of April 2, 1997 (*Monitorul Oficial* no. 39 of 1997) establishes the procedure of founding joint-stock companies, their organizational structure, legal status of their participants, management principles, method of their reorganization and liquidation.

31. The Law on the Privatization Program for 1997-98 of June 25, 1997 (*Monitorul Oficial* no. 59-60 of 1997) establishes the legal grounds for farm privatization and reorganization, method of calculating property shares, legal forms of new enterprises created during the farms reorganization as well as specific conditions for privatization and organization of agricultural enterprises.

32. The Law on Notary of April 11, 1997 (*Monitorul Oficial* no. 61 of 1997).

33. The Law on Normative Land Price and the Procedure of Land Purchase and Sale of July 25, 1997 (*Monitorul Oficial* no. 58 of 1997).

34. Government Decision no. 1056 on Implementation of the Law on Privatization Program for 1997-1998 of November 12, 1997 (*Monitorul Oficial* no. 2-4 of 1998).

35. Provisional Instructions on Preparing Land Arrangement Projects, RM-36-02-03-97 of the Ministry of Privatization and State Property Administration and National Agency for Geodesy, Cartography and Cadastre of December 9, 1997.

36. Provisional Instructions on Procedure for Filling Out, Issuance and Maintenance of Title Certificates Confirming Landholder's Right, MN RM-36-02-04-97 of Ministry of Privatization and State Property Administration and National Agency for Geodesy, Cartography and Cadastre of December 9, 1997.

What are Land and Property Share Certificates?

Land Share Certificates

A land share certificate is an official document that verifies your right to land. It entitles you to a portion of land to be distributed, but it does not specify exactly where your parcel is located.

Note: *Land share certificates are not legal titles to land.* Land title certificates—which legally secure a person’s ownership right to a specific parcel of land—are issued after the land survey is completed and the configuration of parcels is approved by the mayor’s office.

The land commission issues a land share certificate that confirms your right to become an owner of land as established by law. The land share certificate specifies the size of the land share in hectares and hectare-points, which measure the soil fertility. All full land shares are equal. Consider the following example: Alexandru and Valentina are both given full land shares. However, Alexandru’s land is located in a much more fertile area. Therefore, he receives a smaller amount of land than Valentina. Because their land shares were based on fertility, they will receive equal benefit.

Property Share Certificates

Each individual entitled to property receives a property share certificate. A property share certificate is a voucher issued by the property commission with a value expressed in monetary terms. It does not give you ownership rights to physically defined property. Instead, you use property share certificates to redeem actual property at the property tender. You may participate individually or choose a leader to represent your interests at the property tender. In order to receive a tractor or other piece of equipment of significant value, many farm members may need to pool their property shares.

The value of each property share varies according to the individual and the method used for calculating property share. For example, consider a farm that bases the size of the property share on the number of work years. If Ion worked on the farm for 30 years, his property share will be larger than the property share of Gheorghe who has only worked 10 years on the farm.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Options for Using Your Land and/or Property Shares

This reorganization process offers several options for using your land and property shares:

- You become an individual farmer and work your own parcel of land. (You may also farm land with family members.)
- You become a leader who runs his own private farm and leases land and/or property from one or more individuals.
- You become an entrepreneur and form a new enterprise.
- You become a lessor. This means you lease your land and property to another farm member.
- You sell your land and/or property to another person. Think about this carefully. You are giving up your ownership rights to land and property. The sale of land and property shares eliminates the possibility of future income through the lease of the land and property.
- You choose not to participate in privatization and reorganization..

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Who is Entitled to Land Shares?

Moldovan law specifies which individuals are entitled to land shares (*Article 12 of the Land Code as amended on 10.02.95*). The following list describes who is entitled to land shares.

Note: All operations related to the allocation of land shares are performed on the basis of the demographic situation as of January 1, 1992.

1. Members and pensioners of kolkhoz, employees and pensioners of sovkhos or other agricultural enterprises.
2. Employees and pensioners of organizations and enterprises who live in the area and are directly engaged in construction works and use of land reclamation systems and improvement of soil fertility in the respective locality.
3. Residents of rural areas, who were transferred from agricultural enterprises to kolkhoz and inter-enterprise construction and transportation organizations, including pensioners thereof.
4. Employees and pensioners of inter-enterprise cattle-breeding farms.
5. Persons holding an elective office or conscripted into the army, who previously worked in the agricultural enterprise.
6. Persons who have worked in the agricultural enterprise of the respective locality: men for 25 years and women for 20 years.
7. Veterans of World War II and other military service overseas; and families of those who have died as a result of defending Moldova's territorial integrity and independence. All participants must reside in rural areas.
8. Rural residents who have suffered under political oppression and have been subsequently rehabilitated.
9. Persons who have transferred their land to collective farms, but who do not work therein.

Up to 50 percent of the value of a land share determined for a specific administrative and territorial unit is allocated to (*Article 12 of the Land Code as amended on 10.02.95*):

1. Persons indicated in the Article 12, paragraph 4, sub-paragraphs 1-5 of the Land Code who have worked in industrial enterprises and other non-agricultural businesses, organizations and institutions, but who have been employed in an agricultural company for fewer than five years.
2. Rural residents engaged in the social area with the length of service (men at least 25 years and women at least 20 years), who have lost the capability to work in their field of specialization due to age or illness and whose family members are not eligible to receive land shares.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Who is Entitled to Property Shares?

The Government of Moldova has specified which individuals are entitled to property shares (*Article 35 of the Law on State Privatization Program for 1997-98*). You are entitled to a property share if you are one of the following:

1. Farm employees, including those hired after January 1, 1992 (prior to the date when the legal form of the farm was changed) and farm pensioners regardless of their retirement date. This group includes former members who withdrew land from the farm, but who did not receive property.
2. Former farm employees who left the farm prior to January 1, 1992, teachers, medical workers, social and cultural sphere employees who live on the farm.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Importance of Entitlement Lists

An important part of the work of the land and property commissions is the creation of the land and property entitlement lists. These lists are based on work records, copies of personal accounts and other farm documents and form the basis of the distribution of land and property to the legal owners.

The commissions post these lists on the bulletin boards in the farm management office or mayor's office. The name, birth date, percent of the land share, identity card data and other information about eligible farm members are included on these lists.

You should check each list when it is posted:

1. If you are supposed to be included on a list, make sure that your name actually appears on the list.
2. Verify the information about you.
3. If your name is missing or if any of the information is incorrect, take the appropriate steps:

Land Entitlement List

Go to the land commission with your identity card, work documents and other relevant documents, and request that your name be added or that the information be corrected.

Property Entitlement List

Go to the property commission with your identity card, work documents and other relevant documents, and request that your name be added or that the information be corrected.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Information for Entrepreneurs

After your farm privatizes and reorganizes, there are many opportunities for earning an income. You can lease out your land, run a business or do both. An entrepreneur is a person who opens a new business. The entrepreneur can base the business on land and/or property or can use money to open the new business.

If you are interested in creating a new enterprise, you need to plan carefully before committing to its creation. Consider the following:

- What activity will be the focus of the enterprise? It may focus on agricultural production, processing, services or other function.
- What is the hectare point value of the land lot and the lei value of the property located on it?
- Can enough land and property shares (based on hectare points and lei value) be collected to obtain the lot desired by the group?
- Are there any controversial issues that need to be solved before land distribution?
- Under what legal form will the enterprise be registered?

New enterprises may include:

- Agricultural production enterprises based on what the farm already does (for example, crop growing, cattle breeding, etc.)
- Agricultural processing enterprises (such as bakeries, fruit and vegetable processing, milk processing, etc.)
- Service enterprises
- Repair and maintenance enterprises
- Support enterprises that focus on construction, carpentry, repair services, etc.

If you intend to create a new enterprise, take the following first steps:

1. Form an initial group to perform the preparatory work.
2. Determine the enterprise's activity.
3. Determine the need in agricultural lands, property and equipment needed for the enterprise's activity.

Before the enterprise's structure is determined, you should write a business plan that states the enterprise's goals and contains specific information about what it will produce and how it will work. The business plan includes: the list of crops or livestock that will be produced; where, to whom, and on what terms the products will be sold; how production processes (equipment, feeds, fertilizers, seeds, etc.) will be organized; how many employees will be hired and what they will do; how bookkeeping, financial accounts and records will be kept.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Choosing the Legal Form of the New Enterprise

The following forms of enterprises are possible:

- individual enterprise
- joint activity association
- peasant farm
- production cooperative
- production and consumption cooperative
- limited liability company
- joint stock company
- full partnership
- closed partnership

You may establish your enterprise using any of the above forms. Many people have chosen to form peasant farms and limited liability companies.

Peasant Farm

A peasant farm is set up by members of one family. Land and assets of such an enterprise belong to all family members as common property (joint or shared). The enterprise may lease land and assets from other individuals according to lease agreements. Founders of a peasant farm incur liability for its debts with their personal property. A peasant farm is a legal entity. It is the most popular form because it has many advantages such as simple bookkeeping, a low registration fee and it is suitable both for family businesses and leaders.

Limited Liability Company (LLC)

This enterprise belongs to one or more legal entities or individuals who have combined their property or cash to conduct joint activity under a common firm on the basis of a foundation agreement and charter. LLC is a legal entity and is liable for its debts with all of its property. LLC participants are not personally liable for the debts of the company, and risk only their contribution to the statutory capital.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

General Cautions in the Privatization and Reorganization Process

Consider the following cautions during the privatization and reorganization process:

- Do not contribute your land as statutory capital to any enterprise. Instead, lease your land to the enterprise. In this way, you do not risk losing your land.
- If you are leasing your land to another person, you should only commit to lease the land for more than one year if you are sure that the person is offering you a fair price, is honest and will pay the agreed amount. Remember to talk with others who are leasing their land so that you will be well informed about the realistic terms and conditions of leasing in your community.
- If you have decided to lease your land to a leader, remember that the leader does not have to give you a job.
- If you are a leader, you should retain a majority interest in your new enterprise. This ensures that you have the freedom to make the decisions that you think are best for the enterprise.
- Remember that your property share alone may not be enough to receive a tractor or other large share of equipment. Consider forming or joining an association with other farmers in order to combine your property shares and gain control of the machinery and equipment that you need.
- Founders of an individual enterprise have unlimited liability.
- If you are considering selling your land and/or property shares, think about it very carefully. You will lose the possibility of getting future income through the sale or lease of the land and property.
- Think very carefully before deciding not to participate in privatization and reorganization.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

What to do When You Receive Your Land Share

After you receive your land share, you should decide what you want to do and take the necessary actions. Your options are to:

- Become an individual farmer.
 - ⇒ You can farm your land by yourself or with family members. You will need to represent yourself or arrange for another person to represent you at the land tender.
- Lease your land to someone else and earn a small income while the other person uses your land.
 - ⇒ Collect offers — Ask several people how much they would compensate you for use of your land.
 - ⇒ Sign a proxy or proxy agreement — These documents allow another person to represent you at the land tender and ensure that your parcel will be located in their lot.
 - ⇒ Sign a lease agreement — This is a legal document that stipulates the conditions of land use, the terms of compensation and other details.
- Create a new farm by leasing or buying other people's land parcels and become a leader.
 - ⇒ Make offers — Tell others your proposed terms of compensation for use of their land.
 - ⇒ Collect proxies and proxy agreements — These documents allow you to represent others at the land tender and ensure that their parcels will be located in your lots.
 - ⇒ Sign lease agreements — These are legal documents that stipulate the conditions of land use, the terms of compensation and other details.

Note: All individuals entitled to receive a land parcel must apply for their land. Give your application for land to the person who will represent you at the land tender. (If you will represent yourself at the land tender, turn in your application for land when you apply to participate in the tender.) *If you do not apply for the land, you cannot legally receive land.*

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Information for Individual Farmers

Individual farmers are persons who farm their own land by themselves or with their family.

You have the legal right to farm your own parcel of land. The privatization and reorganization process and Moldovan law assure farm members of their right to choose the method in which they will farm their land. If you choose to become an individual farmer, you do not always have to farm only your own land. You may eventually lease or buy land from other farm members.

If you want to become an individual farmer, you should consider the following rights and responsibilities:

Rights

- You make your own decisions.
- You have the right to individually farm your own parcel of land and get a profit from it.
- You can plant what you want and raise crops as you choose.
- You can plan the production process and sell the products individually.
- You can expand the land you farm through purchase, exchange, inheritance or gift.

Responsibilities

- You must register your enterprises.
- You must farm the land otherwise you lose the ownership right to your land.
- You must observe agricultural requirements and farm the land in a manner that prevents soil erosion and does not damage soil fertility.
- You must pay all taxes in accordance with current legislation.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

What You Should Know About Lease Agreements

A lease agreement gives an individual the right to use another person's land and/or property. (According to the law, land lease agreements become legal only after land owners have received the land title certificate and actually received land; property lease agreements become legal after property owners have received their property share certificate and actually received the property.) After land and/or property owners decide to whom they want to lease their land and/or property, they sign a lease agreement with this person. The two parties in a lease agreement are the lessor and lessee:

- A lessor leases his or her land and/or property *to* another person.
- A lessee leases land and/or property *from* someone else.

Individuals should think carefully about the lease agreement before signing it. Both the lessor and the lessee have definite responsibilities that are governed by Moldovan law. Some considerations that both the lessor and the lessee should think about are:

- Both parties must trust each other.
- The duration of the lease agreement is legally binding and can only be altered by agreement of both parties. However, if one of the parties does not want to end the agreement, it can be terminated only based on the decision of the court.
- The two parties may include in multi-year agreements a provision for the yearly renegotiation of the conditions of the lease payment and/or a provision for the yearly termination of the lease agreement, or termination of the agreement if the lessor's plans change.
- The lease payment conditions must be agreed upon by both parties. This payment can be made in cash, in-kind or a combination of the two.

Notes: You should think about the following:

- The agreement can be changed at any time by mutual consent.
- Leasing gives the lessee only the right to use the land and/or property; it does not give ownership rights to the lessee.
- Lessees are not required to employ the owners of land and/or property. Employment agreements can be negotiated separately by mutual agreement of the lessor and lessee.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

How to Choose a Leader

The selection of a leader is one of the most important decisions that a land and/or property owner can make. You should think about the following when selecting someone to whom you will lease your land and/or property:

- He is someone you know to be fair, honest, and hard working.
- He can succeed as an entrepreneur.
- He will not damage your land and/or property.
- He is knowledgeable in management, production, finance, economics and sales.
- He knows what seeds, planting material, herbicides, pesticides, fertilizers, fodder, gasoline, oil, farm machinery and replacement parts, and other agricultural inventory are needed and where to find these items.
- He knows the current laws or where he can find information about the current laws.

Note: Lessees are not required to employ the owners of land and/or property. Employment agreements can be negotiated separately by mutual agreement of the lessor and lessee.

How Land and Property Tenders Work

Land Tender

1. The land commission announces the date of the land tender.
2. The land and property commissions decide how many lots will be distributed at the tender.
3. Leaders and individual participants complete formal applications to participate in the tender.
4. The land commission writes a memorandum that describes how to distribute lots that are claimed by more than one participant.
5. At the tender, the rules are announced and uncontested lots are allocated.
6. Contested lots are allocated according to the criteria established in the memorandum.
7. Appropriate documents, meeting excerpts and bills of transfer for property connected to land are completed. Tender participants sign the necessary documents to confirm that they have received a portion of the farm's property.
8. The land commission draws up the final map of lots and determines in which lot each individual's parcel will be included

Property Tender

1. The property commission announces the date of the property tender.
2. Leaders and individual participants complete formal applications to participate in the tender.
3. The property commission reviews the applications and verifies their accuracy.
4. Property commission and tender participants meet before the tender and agree on how to distribute property that is claimed by more than one participant.
5. At the tender, the rules are announced and uncontested property is allocated.
6. Contested property is allocated according to the criteria established in the memorandum.
7. Appropriate documents, meeting extracts and bills of transfer for distributed property are completed.

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Information for Leaders

Leaders are farm members who lease or buy land parcels from other farm members in order to create private farms that focus on production and respond to market conditions. A leader may also collect property shares from others and use the shares to form a service enterprise.

One of the most important decisions that a new leader makes is determining what legal type of enterprise to create for his land or property holdings. Legal types of enterprise include: joint stock company, limited liability company, peasant farm, etc. Administrators help leaders evaluate the options available before choosing a legal form of enterprise that best matches the leader's goals.

Before the legal form of the enterprise is determined, the leader should write a business plan that states the enterprise's goals and includes specific information about what it will produce and how it will work. The business plan includes: the list of crops or livestock that will be produced; where, to whom, and on what terms the products will be sold; how production processes (equipment, feeds, fertilizers, seeds; etc.) will be organized; how many employees will be hired and what they will do; and how bookkeeping will be done. Also consider what buildings (for production, office and/or storage) and current assets your enterprise might require.

Each of these topics requires extensive preparation and planning. For example, when leaders consider ways of selling their produce they need to ask themselves the following questions:

- Can reliable, direct links with processors be established?
- What is a fair price for the produce given the market conditions?
- Will middlemen have to be used? If so, how much will this cost?
- Can business agreements be established with retail shops so that products can be delivered directly to them?
- How much does shipping cost?

Those who intend to be leaders are encouraged to consider the following rights and responsibilities:

Rights

- Leaders decide for themselves how to farm the land in the most efficient manner that will bring the highest profit.
- Leaders hire the people they want.
- Leaders can plan the production process and sell the products individually.
- Leaders may expand the land they farm through purchase or leasing.
- Leaders have the right to get profit from the land parcels and/or property they lease.

Responsibilities

- Leaders must register their new enterprises.
- Leaders must farm their land otherwise they might lose the right to use it.
- Leaders are responsible for fulfilling lease agreements, labor agreements and other contracts.
- Leaders must observe agricultural requirements and farm the land in a manner that prevents soil erosion and does not damage the soil fertility.
- Leaders must pay all taxes in accordance with current legislation and the lease agreements.

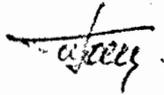
For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Information for People Considering Leasing in Land and/or Property and Becoming Leaders

If you desire to be a farmer and are thinking about becoming a leader, you gather shares from others and have a number of responsibilities. Here are some thoughts of several leaders.

Ion Gaiman from Alexandru Ioan Cuza, Vulcănești

"The long-awaited privatization and reorganization process gives people the chance to become land owners and changes their attitude towards work. My family welcomes this process and expects our life to change for the better. I think that the privatization and reorganization process will improve life in our village because everyone will feel like owners. They won't wait for someone else to make decisions for them and their indifference will disappear."



Ion Poliacov from Hîrtop, Cimișlia is a former brigade leader in his late 40's who represents 53 individual farmers.

"I decided to become a leader because people decided that I would be able to take good care of their property."

"It is much better to work individually than be a collective farm member - I don't see any other way. Now everybody is responsible for his land. People start to calculate their expenses and they understand that their profit depends on their decisions. I think that I will live better because I will know what I'm responsible for. People will live depending on how they work."



Victor Tichisan from Alexandru Ioan Cuza, Vulcănești is an agronomist in his 40's.

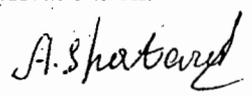
"Before joining the "Land" project, we did not know and did not understand many things related to privatization and reorganization.

Now it is clear that we cannot continue to work like we did in the past. Privatization is new to us. From the information we now have available, we'll do our best to work - we can do that."



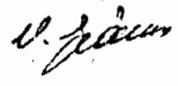
Anastasia Spataru from Bulăiești, Orhei Spataru worked as the deputy director and chief livestock expert at the farm for 25 years.

"I think privatization and reorganization will have a positive impact for the people who want to work and understand the benefits of privatization."



Vasile Spînu from Terebna, Edineț an agronomist for 13 years on the former farm.

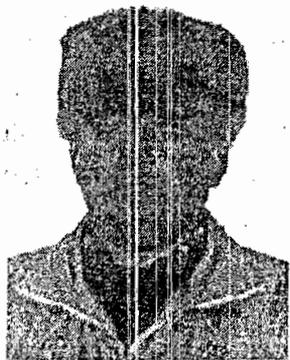
"Privatization and reorganization is good for the future because every person knows exactly what is his and what is not. People have the incentive to work. My own future plan is to work, work, work."



Key Points to Remember

- Leaders are those who lease in land and/or property
- Leaders are responsible for making the best decisions about how to farm the land or manage an agricultural enterprise

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.



Tudor Berbec from Alexandru Ioan Cuza, Vulcănești is the farm's former chief accountant.

"My family is interested in seeing the privatization and reorganization process carried out as soon as

possible and in accordance with current legislation. We hope that it will make radical changes in agricultural activity."

"Being a leader, I registered a limited liability company with three other leaders. We shall lease in land and property from people because I think that this is a better option for the land owners, as well as for us - the leaders. We will do our best to justify people's trust."

Vasile Robu from Nisporeni, is a leader who managed a new farm in 1997. The former collective farm Mayak from Nisporeni privatized and reorganized in 1996.

"1997 was a positive year since it served a good lesson to me and taught me how to better organize work and make more money. We are future farmers and we've really started to teach ourselves how to manage work because we used to be ordered to do this or that work. We purchased the seeds, fuel, repaired the tractors ourselves, as well as organized the production process. It was a good lesson in management of agriculture. I'm happy this time came and gave me such an opportunity."

"I can say the results we've achieved are not bad for the first post-privatization year, if the unforeseen costs are taken into account. We harvested 100 cent/ha of corn from a lot of 46 hectares, which I consider a fabulous result. It speaks for the high quality seeds used and the organization of work."

"Reorganization was a necessary thing to us, we would not have succeeded without reorganizing and privatizing the farm."

Nicolae Verdianu from Prut, Ungheni previously worked as a brigader.

"Life asks us to try and change things, improve our present situation. I decided to take the land next to my village and collected the land and property shares of my previous brigade workers."

"I can compare privatization with a young couple who have just married and have to start from zero and build their home, their future. It has been very difficult lately due to lack of fuel, chemicals, machines, etc... Sometimes I see the future in my dreams. I wake up during the night and think of many problems, trying to find solutions to them. I feel responsible in my position as a leader and know that I must take care of everything - seeds, fuel, crop rotation, etc. If I don't succeed I know that in a year people may change their minds and take their shares back or I myself may have to give up. But I believe the future will be better..."



Gheorghe Bătrânescu from Cotiujeni, Sângerei, 55, a member of a peasant farm association and a leader of 40 people's property shares.

"I never thought of becoming a leader. I was the first to separate with my land and property share and then other people asked advice on how to do it. They asked me to be their leader and represent them at the property tender and I agreed."

"I see a better future. The first step has been done. The effects of privatization will be seen next year. I hope that next year's planting will give good yields, thus improving our lives and also our country's situation. We have good specialists who worked in the former collective farm, and we will try to use their wealth of knowledge in order to succeed."

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Information for Mayors About Privatization and Reorganization

The mayor's office has various responsibilities in the privatization and reorganization process. Here is what many mayors think.



Ion Buzu from Donici, Orhei was elected mayor of Donici, Camencea and Pocșesti in 1994.

"I think that privatization and reorganization is an inevitable process. Collective and state farms could not work any more. And so far, I'm sure that

we have done important work by breaking up the collective farm and I hope that our efforts and the efforts of the project will be highly appreciated in the future. I'm very happy about the privatization project and I hope it will end successfully and each entitled person will receive a land title and property. In the future we would like to have at least two processing plants, to be able to create new jobs for young citizens of the village."

Ivan Petcov from Stoianovca, Cantemir is in his 50's and has been mayor for the past three years.

"Privatization and reorganization is good. The most important point is that people understand it is their land. If you say "this is state property" they won't care whether or not it is taken away, but once it is theirs they will understand and want to keep it."

Dumitru Godorogea from Nădușita, Drochia, age 39, was elected mayor in 1990.

"I understand that collective farms cannot exist any more. When goods belong to everyone, nothing is concretely 'mine', so people let them deteriorate. When you know that it is your land, your attitude changes considerably. People who understand these changes will prosper."



Mihai Moraru, Mayor of Terebna, Edineț

"People must first be owners of the land to understand all of the future possibilities. They need to work for themselves."

Nicolai Dandiș from Cuceara, Cahul worked on the farm for 20 years and was elected mayor in 1991.

"Without privatization and reorganization, where would we be in the future? People need to receive what they work for. My first goal, whether I'm the mayor or not, is to get every individual a land title. Then each person is free to make his own choice on what to do with land. I want to help the people; I explain options and choices so that people understand. I can give them advice, but they must make their own decisions on what to do."



Mihail Barancea from Hirtop, Cimișlia was elected in 1995.

"Privatization and reorganization is an important process. The mentality of people changed a lot during the "developed socialistic period," and they lost their feeling of ownership. We now hope to have a better life after this difficult period. Some people are afraid of anything new, like reorganization, but progressive farm members understand that their future depends on privatization and reorganization. Let's hope that our farmers will be able to work hard and take control of their lives."

Key Points To Remember

- You have legal responsibilities to fulfill
- You will need to explain the methodology to others

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Farm Directors Opinions on Privatization and Reorganization

Many farm directors in all areas of Moldova have liked the privatization and reorganization process. Here is what farm directors from different regions think.

Ion Ciobanu, New Leader and Former Farm Director in Alexandru Ioan Cuza, Vulcănești is a former tractor driver, engineer and brigade leader in his late 50's.

"Before, people did not understand what was going on and there was nobody to explain privatization and reorganization to them. After joining the "Land" project, villagers have been told what reorganization means, what rights they have, and they are expecting changes for the better. I know it will be hard work...we are starting everything from zero. Yet we must try because we cannot continue to work in the manner we used to."



"I firmly believe that our situation will improve. The beginning is very difficult. The people's mentality has to change. Until now all the responsibility was laid on the farm manager. Now people became owners of their land and I think they will be more responsible and active."

"We have great plans for the future. First of all we need to reorganize, i.e. to specialize the enterprise in growing crops that give yields in a shorter period of time, and are profitable and less costly. I believe the privatization and reorganization process is the beginning of something new and progressive. Absolutely, it can't be otherwise."



Afanasie Molcov, New Leader and Former Farm Director in Stoianovca, Cantemir

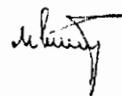
"It is necessary to reorganize and privatize collective farms because people cannot live this way in

the future. Responsibilities are changing as relationships are changing; people are now responsible for themselves. Individuals know where their land is and how much rent they will receive for it. In the future we would like to export to other countries such as Belarus and the Ukraine in order to make a profit."



Gheorghe Miron, New Leader and Former Farm Director in Donici, Orhei, 45, has managed the collective farm for the past nine years and is now a leader representing 346 people.

"When I heard about privatization and reorganization, and in particular about this project, I was enthusiastic because it was a good chance to do the work professionally. When people receive certificates, they can understand that it is their land and property and that they should decide the future by themselves. I have decided to use my knowledge and experience to help them."



Constantin Cupcea, New Leader and Former Farm Director in Cotuijeni, Sângerei is currently the manager of a production cooperative based on property.

"Privatization and reorganization is a positive and irreversible process. Privatization through the "Land" project is welcome, because it conforms with the legislation, and I think we are very lucky to have been included in the project."

Key Points to Remember

- Farm directors have legal responsibilities to fulfill
- Farm directors will need to explain the methodology to others

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Social Sphere Workers Privatization and Reorganization Opinions

As a social sphere worker you must make decisions regarding your land and property shares. At the general meeting, the vote regarding the land share percentage affects you - you may want to discuss this with other farm members. Here is what social sphere workers around Moldova think about privatization and reorganization.

Ecaterina Condrea from Cucoara, Cahul, secretary at the mayor's office for the past two and a half years.

"People are glad to take land and work with land. Earlier we did exactly what we were told; now, people have their own opinions."

E. Condrea



Lilia Grigore from Donici, Orhei, Chief of the Post Office in Donici for 2 years, Grigore is in her 40's.

"Reorganization is a good process even though it is not so easy to do something new.

For so many years people did not have any large responsibilities or big decisions to make. But now, because they are owners, they have to change their attitude. I hope to live better in the future. I will use the money from leasing my land to help pay for my children's studies at the university."

L. Grigore

Veaceslav Romanschi from Hirtop, Cimişlia, school director for seven years.

"We talked a lot about reorganization, but nothing had been done until this project started. So we have the chance and we are doing the reorganization now. I think that it is very important that people get their land...there is no way back. I think that in the future there will be many farm associations and they will produce more goods."

V. Romanschi

Anna Dilobaldova from Stoianovca, Cantemir is in her early 40's and had been the mayor's secretary for the past seven years.

"I think privatization and reorganization is good. Less people will work at the cooperative but it will be more effective and they will know what they are working for."

"I would like to form some type of company that would allow individual farmers to come and sell their products and then this company would find a buyer for all the products."

A. Dilobaldova



Eudochia Grumeza from Cotiujeni, Sângerei has lived in the village since 1970 and is an economist.

"I think privatization and reorganization is a welcome process. It is difficult in the beginning, but I hope it will change our lives for the better."

"Most of the people I know are satisfied and are glad our farm was included in the project, thus speeding up the privatization process. And of course everybody is optimistic and hopes for a progressive change."

E. Grumeza

Key Points to Remember

- You have the right to land (up to 50% of a full land share) and property (% depends on the decision of the property commission)
- You decide what to do with your land and property shares - you may even decide to become a leader

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Farm Members Opinions on Privatization and Reorganization

Farm members all over Moldova have taken part in the privatization and reorganization process. Here is what some farm members think.



Vasile Iovu from Donici, Orhei

"It won't be like it was when everything was "ours" and nothing "mine" when I did not have any responsibility. I think reorganization will change everyone's attitude toward

land and property. We all like the fact that we will know exactly where our land and property are and we will be able to sell it or pass it to others through inheritance."

Iovu



Silvia Moraru from Cotiujeni, Sângerei has lived in the village since 1981.

"Like almost all of our villagers, I think positively of privatization and reorganization. It's good it

has happened. Now each person will feel more responsible and will understand what real work means. If we want to succeed we have to work hard. We still face big difficulties, but I think the situation will change with time. I know that fortune comes after misfortune, and success follows hardships if people work hard."

Moraru

Semion Darie, an independent farmer, from Valea Mare, Ungheni is 57 and used to work at the fire station.

"...work cannot be done well when people are forced. It's quite different when a person does the work because he wants to and feels it in his heart. When a farmer wakes at night and startles at hearing the rain falling, as he remembers something he didn't manage to do during the day - this is how I imagine a true owner and master of the land. With such owners we can only succeed."

Darie

Nina Jujinskaya from Valea Mare, Ungheni is 39 and now individually farms her mother's land.

"I am a young and strong woman and feel I can work, that's why I've never thought of renting the land to other individuals. In the future I plan to lease in one more land share and continue to farm individually."

Jujinskaya

Alexandru Berbec from Alexandru Ioan Cuza, Vulcănești was the chief economist and an accountant on the former farm.

"The privatization and reorganization process is a chance to change peasants' living standards and their attitude towards land and work. I am happy that our farm joined the "Land" Project and that we'll be able to finish the privatization and reorganization process faster and without mistakes. My family understands how important this process is and looks forward to the final results."

Alexandru



Vasile Cojocaru from Cotiujeni, Sângerei previously worked as an accountant and manager of the warehouse.

"Privatization and reorganization will benefit not only me, but my sons and my

family too. I have power and courage and though I start without any financial means, I will do everything possible to succeed. In my heart I feel richer. I know that the land I will soon receive has to be plowed, but this will be my own land and I feel happy, and hope everything will be all right."

Cojocaru

Key Points to Remember

- You can become an individual farmer, leader, or lease your land to another individual
- You decide what to do with your land and property shares

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Information for Pensioners Thinking About Their Land and Property Options

Many pensioners are entitled to land and/or property and must make a decision on what they want to do - lease in land and/or property, lease out land and/or property, give it to their children. You should think carefully about what you want to do. Here is what pensioners throughout Moldova think.

Ion Balan from Alexandru Ioan Cuza, Vulcănești is 63 and a former driver.

"I believe the reorganization process will bring something new in the organization of work practices, in the life of our village. I am going to lease out my shares of land and property to a leader because I trust him and I expect good results."



Efim Spânu and Vasile Ghețu from Terebna, Edineț ages 73 and 66 respectively, both men worked on the farm for many years.

"We think reorganization is good. Production will be better because now people have a greater interest in it. Land usage is more effective because people have taken more interest in ensuring that all of the land is used."

Spânu



Ghețu

Gheorghe Zugrav from Alexandru Ioan Cuza, Vulcănești is 64 and a former tractor driver.

"I have been working as a tractor driver in the collective farm since 1950. I participated in collectivization and the setting up of the collective farm. I personally faced all the shortages and difficulties characteristic to collective farms, this is why I believe in a better future with the commencement of the privatization process."

Zugrav



Ana Chistruga from Nădușita, Drochia is 70 years old.

"It is really hard to farm the land, but I know that everything I'm working on is mine. I like this process. Now I can farm my land with my family members

and I can leave it as an inheritance to my family members."



Daniel Todorov from Corjova, Criuleni is a 74 year old war veteran and former doctor, has lived in the village for 41 years.

"Privatization and reorganization is a positive process that I accept and welcome. I hope it will lead us to a better life. But it needs time. People must understand that only hard work will bring success. I have been in many European countries and I saw how hard farmers work to harvest good yields. I know that hard work will save us too."

Todorov

Key Points to Remember

- You can become an individual farmer, leader, or lease your land to another individual
- You decide what to do with your land and property shares

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

Thoughts from Nisporeni

The Mayak farm in Nisporeni went through the privatization and reorganization process in 1996 and distributed land and property to all entitled members. The people of Nisporeni are satisfied with the results and here is what some of them think.



Vasile Arteni,
Mayor of Nisporeni

"Private ownership is very good and thank God we've come to it. It is good that people became owners. The break up

methodology was implemented well from the scientific point of view and the first year results show that it's going to work well."

V. Arteni

Vasile Robu, Leader in Nisporeni

"1997 was a positive year since it served a good lesson to me and taught me how to better organize work and make more money. We are future farmers and we've really started to teach ourselves how to manage work because we used to be ordered to do this or that work. We purchased the seeds, fuel, repaired the tractors ourselves, as well as organized the production process. It was a good lesson in management of agriculture. I'm happy this time came and gave me such an opportunity." "I can say the results we've achieved are not bad for the first post-privatization year, if the foreseen costs are taken into account. We harvested 100 cent/ha of corn from a lot of 46 hectares, which I consider a fabulous result. It speaks for the high quality seeds used and the organization of work."

"Reorganization was a necessary thing to us, we would not have succeeded without reorganizing and privatizing the farm."

[Signature]



Gheorghe Adam,
Pensioner and
Independent
Farmer in
Nisporeni is 74 and
three years ago took
his land share to
become an individual
farmer.

"I am happy I farm my land on my own. Even though sometimes it is so difficult to face all the problems, if you like to work, and work hard, you will surely succeed. It is vital for me to farm nowadays since the pension payment is delayed almost all of the time. The land helps us to survive and even save some money. I've already paid, taxes and nobody bothers me, I am free."

"I feel very good indeed about privatization and reorganization. I only regret this hadn't happened 30 years ago, when I was younger. I have a son who helps me a lot and my land will be his when I can't work any more. I am happy the time came while I am alive and that I can have what I really deserve; though I work hard, I'm glad to be owner of my land, and master of my life."

G. Adam

For more information see a manual, contact your farm privatization and reorganization center, local administrator or the Ministry of Privatization and State Property Administration.

NATIONAL AGENCY FOR GEODESY, CARTOGRAPHY AND CADASTRE

Order

December 9, 1997 No. 96a

Chisinau

“On approving Provisional Instruction on Preparing Land Arrangement Projects and Provisional Instruction on the Procedure for Filling Out, Issuance and Maintenance of Title Certificates Confirming Landholder’s Right”

1. To approve the Provisional Instruction on Preparing Land Arrangement Projects and the Provisional Instruction on the Procedure for Filling out, Issuance and Maintenance of Title Certificates confirming Landholder’s Right.
2. The General Department for Land Arrangement and Land Reform (Mr. D. Nour), within 2 weeks, shall arrange for passing the Instruction to all rayonal executive committees sections for regulation of land arrangement and land reform.
3. The General Department for Land Arrangement and Land Reform (Mr. D. Nour), the General Department for Cadastre and Geodesy (Mr. V. Ginju), within 15 days, shall make a proposal to issue licenses for the right to conduct works on coordinating Land Arrangement Projects prepared by enterprises on a contract basis.
4. The Planning Institute for Land Management (Mr. Cananau), within 15 days, shall prepare the tariffs for works conducted by Institute employees on Land Arrangement Projects co-ordination and shall submit for approval through an order of the National Agency for Geodesy, Cartography and Cadastre.
5. To establish, that work payment to Planning Institute for Land Management employees for coordinating Land Arrangement Project, prepared under USAID technical assistance, shall be made on state and local budget account.
6. To establish, that Land Arrangement Projects, prepared or the preparation of which has started prior to entering in force this order, shall not be changed and Title Certificates confirming Landholder’s Right shall be issued according to these projects. The size of theodolite traverses shall not exceed 8 km in these Land Arrangement Projects and the relative linear accuracy shall not exceed 1:1500.
7. This order shall be put into effect since the date it is published in the Official Monitor of the Republic of Moldova.

General Director

I. Stratulat

Coordinated
Vice-minister of Privatization
and State Property
Administration

_____ Z. Bodiu

_____, 1997

Approved
General Director
National Agency for
Geodesy, Cartography and
Cadastré

_____ I. Stratulat

_____, 1997

PROVISIONAL INSTRUCTIONS ON PREPARING LAND ARRANGEMENT PROJECTS

MD RM-36-02-04-97

1. GENERAL PROVISIONS

1.1. These Instructions were drafted in compliance with the Land Code, Laws: "On State Land Arrangement, State Land Cadastre, and Land Monitoring", "On Normative Price and Procedure of Sale and Purchase of Land", "On Peasant Farm", "On Ownership", Government Decision No. 449 of June 29, 1992, on Approving the Unique Standard Forms of Title Certificates Confirming the Right of Ownership, Possession and Use of Land", Regulation on Maintenance of the Main Cadastre Documentation and Regulation on Land Allocation approved by Government Decisions No. 24 dated January 11, 1995, Regulation on the Procedure of Allocating Lands approved by Government Decision No.246 dated May 3, 1996, as well as other official acts.

1.2. The Instructions define the list of, contents of and procedure on conducting works related to land arrangement projects preparation with issuance of Title Certificates Confirming Landholder's Rights.

1.3. These instructions use the following terms and definitions:

Arable field: a surface of arable land bounded by physical boundaries and identified on the 1:10,000 scale plan by a contour number.

Arable parcel: a parcel allocated to an individual land share recipient on an arable field.

Land with perennial planting: an area planted with perennial plants which is bounded by physical boundaries and identified on the 1:10,000 scale plan by a contour number.

Perennial planting parcel: a parcel allocated to an individual land share recipient on land with perennial planting.

1.4. The land arrangement project shall be prepared based upon the contract concluded between the Primaria of the city, village (commune) (hereinafter "Primaria") and the Planning Institute for Land Management or enterprises that hold a license to conduct cadastral works or another appropriate license issued by the entitled public administration authorities (hereinafter "project executor"). Sources of funding such works may be:

- a) state and local budgets;
- b) cash of citizens - landholders;
- c) funds received within international technical assistance rendered to the Republic.

In the event the owner of arable land expresses the wish to use his land parcel independently, the contract shall provide for demarcation of such arable parcels based upon the land arrangement project map and shall specify the price for such scope of work.

1.5. Either prior to or after beginning preparatory works (as agreed between the Primaria and the project executor), the Primaria and the project executor shall together prepare the project task for work completion in accordance with Annex No. 5.

The Primaria shall indicate in the task previously allocated in kind land parcels, the location thereof should not be changed during preparation of the land arrangement project.

1.6. The Primaria shall assist the project executor in project research work, coordination, and work acceptance, and shall be responsible for the project implementation as specified by the terms of the contract.

1.7. Either prior to or after preparation of the project, the Primaria must provide the project executor with the following materials to be used in preparation of the land arrangement project:

(a) The copy of decision of the Primaria on allocating into private ownership equivalent land shares to peasants legible to receive such shares on the territory of the Primaria. Such decision shall indicate the size of the privatization fund and of the land to be allocated, as well as the passport data, date, month and year of birth, and home address of each holder having the right to receive the equivalent land share, the size of each land share (whether a full share or partial share) pursuant to Annex No. 6, and whether the land share recipient is entitled to receive land with perennial plantings.

(b) The copy of decision of the Primaria indicating location of the land to be allocated to the land share holders named in the decision described in item 1.7(a), and attaching the 1:10,000 scale cartographic plan which shows such land, as well as the soil fertility of each arable field and each land with perennial planting included in the land to be allocated.

(c) The copy of decision of the Primaria (if any) on excluding from the land to be allocated the surface area of roads and anti-erosion elements which exist and which are projected onto the arable fields and land with perennial plantings as a part of the land arrangement works to be conducted (Annex 7).

1.8. The rayonal land arrangement service, within 5 days of submission of a request by the project executor, and without payment, shall issue to the project executor, the legal commentary and a permit for conducting survey works, which shall be issued based upon:

- (a) application of the project executor;
- (b) copy of the corresponding license issued to the project executor;
- (c) copy of Primaria decision on determining the location of lands to be allocated to the holders of equivalent land shares.

The permit for conducting survey works shall be prepared under the form given in Annex No. 3.

If the rayonal land arrangement service fails to issue the legal commentary and permit within such 5 days, then the permit shall be deemed to have been issued and the executor may start conducting the land arrangement project. In such cases, the project executor shall notify the NAGCC that he is beginning work on the project.

1.9. The land arrangement project shall be prepared on the basis of existing soil plans. In some cases, upon Primaria's application, the soil plans may be corrected on the local budget account. If the soil map was not adjusted within the time period set by Primaria, the project executor may conduct the entire work using the existing soil plans.

1.10. The land arrangement service shall coordinate only the preliminary land arrangement project, and shall issue its notice on coordination within 10 days of the receipt of the preliminary project. The notice shall be issued on the basis of the existing legislation and these instructions. Where the land arrangement service within 10 days fails to issue a notice, the land arrangement project shall be deemed to have been coordinated.

1.11. The project executor shall coordinate the preliminary land arrangement project with the Environmental Protection Department and shall be submitted for approval to the Primaria. If the project executor makes any changes to the anti-erosion scheme after its coordination with the Environmental Protection Department, the project executor shall coordinate the final land arrangement project with the Environmental Protection Department prior to submitting it to the Primaria for approval.

1.12. All coordinations shall be made by applying a note "Approved" on the plan material with indication of the position, having the signature and surname of the person who deals with coordination, as well as the approval date under it.

1.13. Project preparation works shall be divided into :

- a) preparatory;
- b) geodetic;
- c) projecting;
- d) formalization.

2. PREPARATORY WORK

2.1. Upon the request of the project executor, the structures of the NAGCC, or the rayon cadastral engineer, or the Primaria, or other agency in possession of the following materials must provide the project executor with the pedagogical and topographical plans at a scale of 1:10,000 or larger. Such maps and plans shall be provided to the project executor upon payment of the tariff for providing such plans published in the Official Monitor. In case no tariff has been published, such plans shall be provided free of charge.

2.2. Upon the request of the project executor, the structures of the NAGCC, or the rayon land arrangement service, Primaria or other agency which disposes of the corresponding materials shall provide the following materials to the project executor:

- a) schemes on land fund distribution and privatization fund delimitation, previously prepared land arrangement projects of farms and their collective forms;
- b) internal farm land arrangement projects and schemes with water protection zones, small river and water belts thereon.

Use of such materials are not mandatory for preparation of the land arrangement project. Such materials shall be provided to the project executor upon payment of the tariff for providing such materials, approved as prescribed and published in the Official Monitor. In case no tariff has been published, such materials shall be provided at no charge.

2.3. Before starting the surveying work, the project executor shall contact the specialized rayon organizations to clarify the location of cable communication lines, as well as other existing engineering structures (gas pipelines, water pipelines, power transmission line and others), protection zones and conditions of their use.

3. SURVEY WORK

3.1. Survey measurements include field and office surveys aimed at receiving a reliable basic cartographic plan for projection. For this purpose the project executor shall verify and measure the boundaries and surface areas of arable fields and lands with perennial plantings included into the privatization fund.

3.2. Field geodetic work shall begin with the area reconnaissance of those sectors that are to be allocated to land share holders. During reconnaissance, boundaries of arable fields and lands with perennial plantings shall be demarcated in kind, places for installation of monuments of geodetic control and running theodolite traverses shall be projected, as well as methods of determining coordinate points for boundaries of arable fields and lands with perennial plantings to be allocated.

3.3. While conducting survey measurements on each arable field (group of arable fields) and land with perennial plantings (group of lands with perennial plantings), the project executor must establish a minimum of three monuments that shall be indicated on the preliminary and final land arrangement project maps and used as the basis for projecting parcel boundaries and for demarcation of parcels on the spot.

3.4. Monuments are fixed by long-lasting signs (concrete or wooden posts, steel pipes) at least 1 meter long, placed 0.7-0.8 meters deep into the ground and surrounded by mounds 1.5-2 meters in diameter. Sketches are produced for all reference points in conformity with Annex No. 8, which shall be presented for storage as shown in Annex No. 14.

3.5. In order to determine coordinates of reference points, fields surveys are conducted. This includes estimation of angular and linear values in kind by running theodolite traverses between well-preserved previously installed land marks, coordinates of which are calculated in the local free system. The length thereof should not exceed:

- a) between two starting points - 2.0 km;
- b) between starting points and the basic point - 1.5 km;
- c) between two basic points - 1.3 km.

Theodolite traverses can be run in the shape of closed loops (polygons), created in free systems. Their perimeter shall not exceed 4.0 km, as well as the polygon length to width ratio shall not exceed 2. With bigger perimeter and length-to width ratio, diagonal traverses are performed inside arable fields and lands with perennial plantings.

If state survey network points of I-IV Class or I-II Grade exist within the territory of the privatization fund, the project executor shall use such network points and shall calculate coordinates in the national system of coordinates. If such points do not exist within the territory of the privatization fund, the project executor is not required to tie monuments or any other points on the land arrangement project to the national or local system of coordinates.

3.6. Coordinates of geodetic control points can be determined by creating the triangulation network, the triangles of which shall have angles close to 60 degrees. Angles shall not be below 30 and above 120 degrees. Lines with good measurement conditions and length of not less than the average value of sides of triangle network shall be chosen as the base line.

3.7. The coordinates of geodetic control points can be determined with a GPS satellite geodetic system. The main characteristic in using such a system is that it excludes the requirement to have a direct visibility between starting points from which the coordinates are transferred, and geodetic control points.

3.8. Boundaries with many curves located along dry valleys, rivers and streams shall be taken off the main traverse with the help of perpendiculars. The length of perpendiculars, run from the line of main traverse up to factual border, shall not exceed 50 meters. Perpendiculars shall be measured to all bends: for bends less than 10 meters - estimated by sight, for bends larger than 10 meters - with the help of a protractor. The length of perpendiculars shall be measured by a steel tape or a measuring reel.

3.9. In case it is impossible to include turning points of land parcels boundaries directly into the geodetic control network, cross bearings are used by way of measuring distances and directions. Cross bearings shall be made from no less than 2 points of geodetic basis. Deviations shall not exceed 0.15 meters. If aerophotography materials are available (photo plans) of 1:500 or 1:1000 scale, the accuracy of boundaries in the field must comply with the corresponding scale.

3.10. When making field measurements a field book and sketch shall be kept under an established form (Annex no.9). All angular and linear measurements are put down into the field book. Stations and supervision points, intersection places of forestry massifs with geodetic network, and situation contour boundaries and etc. are shown on the sketch.

The field book is the main document of field measurements, and therefore any erasures are prohibited. Wrong entries shall only be stricken through and changed to correct ones. "Angle (line) change, See page ____, book field number _____," etc.

3.11. Office processing of field surveys shall be made by hand or using computers. The executors of field work shall prepare and submit for office processing the following initial information:

- a) working sketch showing the measured angular and linear values;
- b) initial coordinates of geodetic network points;
- c) starting and final direction angles of lines between the geodetic network points.

During analytical processing of geodetic control network in a free system, input coordinates and direction angles may be copied from photo plans according to the existing coordinate network.

3.12. During processing of field data angular and linear misclosures (discrepancies) are calculated. The permitted angular misclosure shall be calculated according to the formula:

$$F_{\text{add.}} = \pm 1 \sqrt{\Pi}$$

where Π is number of angles in traverse (polygon). The relative linear misclosure in traverse shall not exceed 1/2000. Where the mentioned permitted tolerances are not ensured, then field measurements shall be made for verification.

3.13. Simultaneously with running theodolite traverses the survey of the situation shall be made. During such the following are taken as a guideline:

- a) boundary along the forestry belts is set 2.5 meters from end line for nut trees belts, 0.5 meters for bushes, 1.5 meters - for other plantings;
- b) width of field roads is defined by way of measuring from border to border with respect to the width of the beaten part adding 0.5 meters from each side of the road;
- c) ditch width is established by way of measuring from edge to edge at the top adding 1 meter on each side, and in case of earth dams according to the distance between the lower parts of dry slopes;
- d) perennial plantings boundaries are set up at a distance equal to half of space between the rows width, and half of the distance between the plants in a row;
- e) boundaries of forestry plantings in forest tracts are set up at a distance of adult tree crown spread, i.e. 3 meters from last trees not considering the undergrowth;

- f) boundaries between pastures, ploughed land, and hayfield are set up by actual use;
- g) gully and chasm boundaries are set up at a distance of 2 meters from their edges;
- h) for electric power lines actual space is shown covered by supporting structures and its route, while geodetic point boundaries are set up at 3 meters from undeveloped and 1 meter for developed area from the external border.
- i) water pipeline, gas pipelines, other underground communications are displayed by route axis by corresponding conventional signs.

3.14. When surveying land with perennial plantings, the project executor shall show on the map the direction of rows, the number of rows in each section, and the density of plantings in rows.

3.15. The accuracy of drawing contours of lands on the plan is fixed :

- a) for linear contours and lands with perennial plantings - 0.3 mm;
- b) for other lands at their mutual location 0.5 mm.

3.16. Lands contours with total space less than 4 square mm shall not be shown in the plan, with the exception of objects under buildings, constructions which are shown with total space 1 square mm. Objects with total space less than 1 square mm are shown with extra-scale signs.

3.17. Based on geodetic materials, total territory of arable fields and lands with perennial plantings to be allocated is calculated, and a plan basis is prepared drawn as agreed-upon in the task order scale (1:2000 or 1:5000). The terrain from existing topographic plans of 1:10,000, 1:5000 scale and soil varieties are projected to the plan basis.

3.18. Lands within contours are shown by conventional signs accepted for this scale. The terrain is drawn with isometric lines in brown color with subscript of each 10th horizontal line, but at least 2 horizontal lines. Soil contours are shown by a stroke dotted line in black, inside thereof the numbers are indicated.

3.19. On completion of surveys a technical report shall be produced and a technical file shall be formed. The technical report shall be made in free format and shall give a detailed description of methods, quantity of the works performed and all specific features of accomplishment technology thereof.

The technical report must incorporate data on normative and methodology documents which served as guidelines during work performance, physical and geographical conditions, administrative location of the object, contents and objective of survey, scale and method of survey, aerophotographic, topographic, and geodetic work of previous years and its description (scale, surveyor, quality, etc.); survey basic map and topographic survey control, office measurements. The technical report shall be signed by the manager of survey work or a properly licensed person. The technical file includes:

- a) technical report;
- b) field books;
- c) sketches for monuments;
- d) catalogue of coordinates for all geodetic control points.

4. PROJECT WORK

4.1. The planning basis prepared for projection work must show:

- a) the existing situation, boundaries of contours and their surface areas, as well as vertical parameters of linear contours;
- b) terrain (by horizontals);
- c) soil types and their numbers;

- d) existing surface and underground engineering linear works;
- e) existing irrigation networks.

4.2. Before commencement to land arrangement projecting, a scheme of anti-erosion territory layout is made on planning cartographic basis of 1:10 000 or 1:5000 scale, which provides allocation of road grid and flooded spillways and channels, forest safety-belts and hydro-technical constructions..

4.3. The scheme of anti-erosion territory layout is drawn up for the water catching space of the gully, waterless valley or its part with respect to local relief, soil mantling, erosion process display, but with mandatory surface water drain from water shed to thalweg.

4.4. Distance between main projected anti-erosion borders depends on steepness of slopes, soil mantling, active erosion processes, and for carbonate black earth soils shall not exceed on slopes with gradient from:

1 degree -	300 meters
3 degrees -	200 meters
5 degrees -	125 meters
7 degrees -	75 meters
10 degrees -	50 meters

For other types and sub-types of soils these parameters are calculated based on the following coefficients:

typical black soils	- 2.0
alkalized and podzol black soils	- 1.7
gray and brown forest soils	- 1.5
black soils common	- 1.2

For all types and subtypes of soils, adjustment coefficients are introduced:

granulometric composition for alumina soils	- 1.15
heavy loamy soils	- 1.0
loamy soils	- 0.85
sandy-loamy and sandy soils	- 0.70
for non-eroded soils	- 1.0
very low-eroded soils	- 0.85
low-eroded soils	- 0.70
medium-eroded soils	- 0.5
heavy-eroded soils	- 0.35

The given parameters and coefficients work for straight slopes, for transition from straight to convex upwards or from concave to straight we need to apply 0.85 coefficients, while during transition from convex to straight or from straight to concave - 1.25.

4.5. The planned anti-erosion borders are located transverse to slopes with lengthwise slope within 0.5-1.5 and are fixed by forest strips, field roads, water dams, water catchment, or water spillway hydro-technical devices. They can be matching or interchangeable. At this point linear elements that do not meet the requirements of anti-erosion organization of territory are transformed into those lands upon which they are situated.

4.6. Depending upon their main functions the projected shelter-belt forests are divided into wind-shelter, run-off regulating, lakeside, chasm-side, gully-side, and sanitary.

The projected wind-shelter forests are designed 6-15 meters wide on soils with slope of up to 1 degree (water shed plateaus, flood-plains, waterless valleys) transverse to the main direction of malicious winds.

Projected run-off regulating forests are planted on all slopes above 1 degree. Their width varies from 3 to 13 meters.

Lakeside forests are projected along lakes, rivers, ponds, brooks, their width varies from 15 to 20 meters.

Chasm-side and gully-side forests are projected along chasm and gully edges, 8-10 meters wide.

Sanitary forests are projected along dwelling and manufacturing objects, cattle-breeding factories, trading centers, main roads. They can be from 5 to 20 meters wide depending upon extent and the intensity of air pollution by a manufacturing plant or isolation needed therefrom.

4.7. Places of concentration of water flows (valley, ravine bottoms) are projected for planting forest shelters by narrow strips 3-15 meters wide with mandatory waterbed formation.

4.8. Road network is projected proceeding from ensuring access to each land parcel and is calculated considering the contrary traffic of 6-7 meters wide. Transit and dead-end driveways are projected 3-5 meters wide. Roads transverse the slopes are projected with backward slope in order to provide for matching their functions and those of hydrotechnical constructions.

4.9. Projected hydrotechnical anti-erosion measures include earth structures, water resistant and water directing bankings, banks-channels, bankings, water spillways, etc.

4.10. The project executor calculates the surface area of each arable field and land with perennial planting within the privatization fund, by subtracting the surface area occupied by existing engineering structures owned publicly or by other right holders. If the Primaria decision provides that the surface area of existing and projected roads and anti-erosion elements must be excluded from the surface area of the privatization fund, then the project executor shall subtract these surface areas from the surface area of each field and land with perennial planting of the privatization fund. Based upon the new calculated surface area of the land privatization fund and the number of land share recipients entitled to receive full and partial equivalent land shares, the project executor shall calculate the surface area and the point-hectares of the equivalent land share.

4.11. The project executor shall submit to the Land Commission and the Primaria the recalculations of the equivalent land shares performed in compliance with item 4.10. Based upon the decision of the Land Commission and the Primaria to correct the privatization fund and to correct the equivalent land share, the project executor shall prepare the preliminary land arrangement project. The project executor can prepare a preliminary land arrangement project before the Land Commission and Primaria take such decisions.

4.12. Using the Primaria decisions described in item 4.11, the Land Commission holds a meeting and invites all land share recipients to discuss the method that the Land Commission will use to determine on which arable field and which land with perennial planting land parcels will be allocated to land share recipients. Lands of the land share recipients, that will be located on an arable field or land with perennial planting are a "field group" or a "perennial planting group." Following the meeting, the Land Commission shall take a decision on grouping the land share recipients.

In case a land share recipient dies prior to the decision described in this item, then the Land Commission shall decide in which group the corresponding land parcel shall be allocated, even though the inheritance of such land share is not yet decided. However, if less than the entire

agricultural enterprise is included in the land privatization fund, then the land share of the deceased land share owner shall not be included into the privatization fund until the matter of inheritance of such land share is resolved according to the legislation.

4.13. Using the decisions taken pursuant to item 4.12, the project executor together with the Land Commission must meet with the land share recipients of each arable field group or perennial planting group to discuss arrangement of such recipients on the arable field or land with perennial planting. For each meeting, the Land Commission and project executor shall prepare a document that shall include the names of the land share recipients who attended the meeting, the names of the land share recipients of the field group who were absent from the meeting, and shall describe the method used to reach agreement on the arrangement of land parcels of land share recipients on the spot (whether by consensus, by lottery, etc.). Based upon the agreements reached at the meeting, the project executor shall prepare a sketch and an arrangement list. The sketch shall indicate the corner of the arable field or land with perennial planting from which the division into land parcels starts and the relative position of the land parcel of each land share recipient's parcel. The arrangement list shall correspond to the sketch and shall indicate the order in which the land parcels of land share recipients are arranged on the arable field or land with perennial planting.

In case a land share recipient dies after the agreement described in item 4.12 but prior to the agreement described in conformity with this item 4.13., then the Land Commission shall decide where the corresponding land share shall be located, even though the inheritance of such land share is not yet decided.

4.14. When allocating land which includes all types of lands, the projection work must start with the land with perennial plantings. The land with perennial plantings shall be allocated by complete rows of plantings. Based on the data collected in item 4.13, the project executor must create preliminary sketches for each land with perennial planting to indicate the number of rows of plantings and the approximate dimensions of each perennial planting parcel. The boundary of perennial planting parcels shall be established along the line midway between the rows of plantings. It is not rational to subdivide the land with perennial plantings by species and types because it will considerably increase the number of parcels distributed in different places, which would complicate the land processing.

Sizes of perennial plantations areas are recorded in the register (Annex No. 11).

4.15. In the office, using the sketches, prepared as prescribed in item 4.14., and taking into account soil quality, the project executor shall calculate the surface area and point-hectares of each perennial planting parcel. From the total point hectares to be allocated to each land share recipient, the project executor shall subtract the point hectares of perennial planting parcels to determine how many point-hectares of arable land each land share recipient shall receive. The project executor shall prepare lists indicating how much arable land each land share recipient is entitled to receive.

4.16. In the office, based on the data produced in items 3.1 - 4.15, the project executor shall prepare the preliminary land arrangement project at a 1:2000 or 1:5000 scale, as appropriate, showing location of roads and greenbelts, etc., as well as the surface area and direction to cultivate perennial planting parcels and arable parcels.

Projection is made with consideration of the soil quality and the surface area of lands subject to privatization. Point-hectares of projected parcels shall not deviate from weighted average by farm more than by a value calculated according to the formula:

$$F_g = \pm c_{0,1} \sqrt{G_h}$$

where G_h is point-hectares of the projected parcels of the holder.

4.17. When projecting shares it is necessary to comply with the following:

- a) as a general rule, land parcels shall be placed in long strips transverse to the slope;
- b) width of land parcels shall be no more than the distance between main water run-off boundaries;
- c) land parcel width to length ratio shall stay within 1:2-1:7 limits ;

In specific cases it is allowed to project shares in long strips along the slope, provided that the conditions for projecting anti-erosion elements are observed, located as prescribed in item 4.4. of this chapter, and on condition of main soil cultivation transverse to the slope and their location of cultivated agricultural plants.

4.18. Each parcel must be provided with an access road. In cases where projected roads are included in the privatization fund in accordance with the Primaria decision, the access roads shall be indicated on the preliminary and final land arrangement maps as a servitude established for the benefit of owners of adjacent parcels.

During projection, each arable field shall be divided into one or more land strips, each of which is bounded by at least one access road. The width of each strip shall be established so as to fit a divisible number of land share recipients.

4.19. After all parcels are projected the project executor shall check the calculation results and field measurement results. In case there is an inconsistency between the field measurement results and the projected ones, the difference shall be proportionally distributed in each parcel.

4.20. After preparing the preliminary land arrangement project, the project executor shall assign a cadastre number to each arable parcel and each perennial planting parcel. The project executor shall use the list of parcel cadastre numbers supplied by rayon cadastral engineer, the Institute for Land Arrangement, or the National Agency for Geodesy, Cartography and Cadastre, or shall create such cadastre numbers pursuant to the Instruction on Procedure for Creating and Monitoring Cadastre Numbers of Land Parcels.

4.21. A table, indicating the cadastre number of the land parcel and the full name of the land parcel recipient according to the project, shall be attached to each land arrangement project (Annex No. 12).

5. PREPARATION AND SUBMISSION OF MATERIALS

5.1. The land arrangement project is prepared based on the preliminary project. At his discretion, the project executor may prepare the land arrangement project with a computer or manually.

5.2. The general schematic drawing of the village (commune) shall be placed on the top left corner of the land arrangement project. In the upper part of the plan, on free spots, shall be made entries with regard to the project's approval and coordination.

5.3. All fields with projected parcels of the land arrangement project shall be placed in the center of the paper. The cadastre numbers of the massif, sectors and parcels shall be entered.

5.4. The land arrangement project's scale, all conventional signs, project executor's identification data (stamp), as shown in Annex No. 18, shall be specified in the lower corner.

5.5. The land arrangement project's indexes, list of soil varieties and their soil fertility, in the form of charts and as provided in Annexes No. 1 and No. 4, shall be specified in free spaces.

5.6. All projected roads and anti-erosion elements shall be drawn on the land arrangement project, in the same fashion as the parcels, in black, and the horizontals shall be drawn in black with fine continuous lines.

Soil varieties shall be drawn in black ink with a broken-dotted line and by displaying their number.

5.7. The graphical project shall be finalized by all conventional signs, as provided in Annex No. 13.

5.8. In case such works are performed by state enterprises, the file shall be signed by the manager of the projecting agency, head of department (if any), chief engineer of the project work, and the work executor. In case such works are performed by an individual(private firms), the file shall be signed by such individual or the manager of such firm, the technical expert (if any) and the work executor.

After accomplishing requirements, provided in items 4.1.- 4.21., the project executor must submit to Primaria the land arrangement project with attached schemes of land with perennial plantings and preliminary projects of arable parcels location.

5.9. In case recipients of arable parcels will cultivate their parcels separately, the projector executor demarcates arable land parcels and access roads to such parcels. The project executor shall perform the following :

(a) Based upon the land arrangement project, the project executor shall prepare a work technical drawing of demarcation in kind for each arable field where such demarcation will occur, specifying the level of accuracy which the project executor will observe while making measurements in the field.

(b) While conducting measurements of boundaries established on arable parcels, the project executor shall use the work technical drawing, theodolite and steel tape, , wooden pegs at all corner points of the parcel shall be placed. The project executor shall install such pegs at least 40 cm deep into the earth. The project executor shall also demarcate the access roads that service the demarcated on the spot parcel(s) by conducting measurements and installing pegs indicating each point where the projected access road intersects with the boundary of a parcel adjacent to such road.

(c) The project executor shall prepare an act of demarcation the project in the field (Annex No. 15) with description of the work performed with enclosed constructed work drawing. The Act shall state that each person whose parcel has been demarcated shall be responsible to maintain the installed pegs. The Act shall be signed by the holder of the demarcated parcel.

(d) After all signatures have been obtained, the project executor shall submit a copy of the Act to the Primaria.

5.10. The land arrangement project is deemed to be valid after the Primaria takes a decision approving the land arrangement project (Annex No. 16) and allocating land based upon the adjusted size of the equivalent land share recalculated in conformity with item 4.11.

5.11. The land arrangement project shall be accepted by the Primaria (NAGCC) by the Act submitted by the project executor pursuant to Annex No. 17.

5.12. Based on the land arrangement project, the technical report and other materials, the project executor shall prepare three land arrangement files.

5.13. If the results of the land arrangement project are processed with the help of a computer, the project executor shall submit the data files and shall specify the file formats.

5.14. The Title Certificates Certifying the Landholder's Right shall be prepared and handed to owners following the Instruction on Filling Out, Issuing and Keeping Ownership Title Certificates.

MAIN INDICES OF LAND ARRANGEMENT PROJECT
 village (commune) _____ rayon _____

<i>Name</i>	<i>Total</i>	<i>Including</i>		
		<i>arable</i>	<i>vineyard s</i>	<i>orchards</i>
1. Initial area of privatization fund (ha)				
2. Number of holders				
3. Number of full shares				
4. Area of projected forestry belts (public property) (ha)				
5. Area of projected roads (public property) (ha)				
6. Area of other projected antierosional elements (public property) (ha)				
7. Use coefficient of privatization fund				

EXPLANATORY NOTE

1. The land arrangement project for the village (commune) _____ rayon _____ was prepared in compliance with:

Instructions on the Preparation of Land Arrangement Projects;
Task on the preparation of land arrangement projects in the village (commune) _____ rayon _____.

2. The project was prepared by:

(executor's name, address)

3. Preliminary sketches have been prepared for each parcel upon demarcation of perennial plantings.

4. Upon demarcation of arable land the recipients agreed upon their parcel's location by signing a protocol.

5. The location of the road network was indicated in the project. This network will allow a free access to every projected parcel, the grassing of evacuators and water flows, protection forestry belts and hydrotechnical installations.

6. The use coefficient of the privatization fund constitutes _____.

7. The length of water grassing evacuators constitutes _____ km with an area of _____ hectares.

8. The projected area of forestry belts constitutes _____ hectares.

9. The area of projected roads constitutes _____ hectares.

10. The total number of land parcels constitutes _____, including _____ arable land parcels, _____ orchards, _____ vineyards for _____ recipients.

11. Of the total area of antierosion elements, _____ hectares have been included in the equivalent land share and _____ hectares have been included in public property.

12. The land arrangement project has been coordinated with the Department for Environment Protection, has been reviewed and approved by the Primaria.

13. Each parcel has been assigned an unique identification number according to the materials prepared by the National Agency for Geodesy, Cartography and Cadastre.

14. The files with project's materials were filled out according to Annex 20 to Instructions on Land Arrangement Project Preparation.

15. Additional notes:

Stamp of the organization
that submitted an application

Valid until " " _____

PERMISSION

Dated _____, 199__
to conduct surveys

Issued: _____

Object: _____
(code, name, contract no.)

Scope of work _____

Object location _____

Executor of work _____

Financing source _____

Client _____

Deadline to complete the work pursuant to the plan _____

Following type of works are allowed to be executed:

No.	Name of work types	Unit of measure	Indicated		Permitted	
			Volume	Costs evaluation	Volume	Costs evaluation
	Total					

Special terms for works completion and materials delivery:

Work executor commits to:

1. Complete works for this object meeting the requirements of general documents and within the volume and deadline listed in the permit.

Organization Manager -
Executor
Stamp _____

Rayonal Chief Surveyor
(state geodetic inspectorate)
Stamp _____
signature, full name

signature, full name

LIST OF VARIETIES AND SOIL FERTILITY

No. on soil map	Soil code according to republican list	Soil name	Soil fertility, in points
1	2	3	4

Annex no. 5

TASK

on Land Arrangement Project Preparation

in the village (commune) _____, rayon _____

- The land arrangement project will be prepared for _____ recipients of equivalent land shares.
- The surface area of land privatization fund is _____ hectares, including arable land _____ hectares, orchard _____ hectares, vineyards _____ hectares.
- The average fertility of privatization fund _____ points.
- The equivalent land share assigned to a recipient constitutes _____ hectares with _____ point-hectares.
- The equivalent land share (or the physical share) will be divided into _____ parcels, including:
 - arable land _____ parcels;
 - orchards _____ parcels;
 - vineyards _____ parcels;
 according to the Land Commission decision and recipients' wishes.
- During the preparation of land arrangement project the following data is to be used:
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %;
 - _____ recipients have the right to _____ %.
- Surveys of privatization fund shall be conducted and a 1:2000/1:5000 cartographic basis drafted.

8. The area of anti-erosional elements shall be projected out of the privatization fund and shall be excluded or included in the equivalent land share or public property fund according to the Land Commission decision.

9. The admissible deviations of projected parcels shall be calculated in point-hectares using the formula: $Fg = \pm 0,1\sqrt{Gh}$, where Gh is the total point-hectares of the holders projected parcels.

10. The project will be reviewed and coordinated at the meeting of equivalent land shares recipients.

11. _____ land parcels will be demarcated with perennial plantings.

12. _____ arable parcels will be demarcated.

13. The land arrangement project will be coordinated at the Department for Environment Protection and approved by Primaria.

14. The following will be attached to the task:

a) the plan of state privatization fund at the scale of 1:10,000, coordinated with the Primaria and agricultural enterprise;

b) the list of equivalent land shares recipients according Annex no. 6.

The task was prepared: " _____ " _____ 199 _____

The Client _____
(position)

Seal

(full name) _____ (signature)

Surveyor _____
(position)

(full name) _____ (signature)

LIST
of Equivalent Land Shares Holders
village (commune) _____ rayon _____

No	First name	Middle name	Last name	Equivalent share				Identity card data					Date, month, year of birth	No. of share	Note
				%	hectares	no.	point-hectares	Series	no.	Issued by	Issuance date	Address			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

Mayor _____
(signature) (name)

Chairman of Privatization Commission _____

Secretary _____

This form is a sample. This form may be modified by the Land Commission as needed.

Annex no. 7-1

REPUBLIC OF MOLDOVA

COUNCIL VILLAGE (COMMUNE) _____

PRIMARIA

DECISION No. _____

as of " ____ " _____ 1997

On excluding from the land privatization fund the surface area of roads and anti-erosion elements, recalculation of the land privatization fund size and adjustment of the size of the equivalent land share.

Based upon Art. 12 of the Land Code and the Minutes of the Land Commission No. ____ of ____ 199__, PRIMARIA SHALL DECIDE:

- 1. To exclude from the surface area of land from the privatization fund of the village (commune) _____ included into Lots No. _____ the surface area of all roads and anti-erosion elements proposed for exclusion by the Land Commission.
- 2. To adjust the size of the land privatization fund of the village (commune) _____ and to establish it in the size of _____ ha.
- 3. To adjust the size of the equivalent land share allocated to owners in conformity with the Primaria Decision No. ____ of _____ 199__ and to establish the in the amount of _____ point-hectares.
- 4. The land arrangement engineer (Mr. _____) within 5 working days since adoption of this Decision shall present a copy or an abstract of this Decision to the preparer of the land arrangement project.

Mayor _____
(signature)

(full name)

Secretary of
Mayor's Office _____
(signature)

(full name)

This form is a sample. This form may be modified by the Land Commission as needed.

Annex 7-2

(projected roads are publicly owned)

MINUTES NO. _____ OF THE LAND COMMISSION MEETING

Village (commune) _____

" _____ " 199 _____

The Land Commission composed of:

Agenda:

- I. Exclusion from the land privatization fund the surface area of all projected roads and those anti-erosion elements which are proposed for exclusion by the preparer of the land arrangement project.
- II. Recalculation of the size of the land privatization fund.
- III. Recalculation of the size of the equivalent land share.

I.

It was discussed:

President of the Land Commission, _____, made a presentation. He mentioned that the land arrangement project shall show dimensions and location of roads and anti-erosion elements which currently do not exist, but are projected n arable land and land with perennial plantings. He mentioned the fact that the surface area of all projected roads and those anti-erosion elements which are proposed by the preparer to be excluded from the land privatization fund so that such roads and anti-erosion elements would continue to be public property. He pointed out that this would help to ensure that all persons who receive ownership of land parcels will have access to their land parcels, and that, therefore, will reduce disputes amongst owners.

It was decided:

- 1) To exclude from the entire land privatization fund the surface area of all projected roads and those anti-erosion elements proposed for exclusion by the preparers of land arrangement projects.

II.

It was discussed:

President of the Land Commission, _____, made a presentation. He mentioned that the preparer of the land arrangement project for land included into Lots No. _____ - _____ pursuant to the Primaria Decision No. _____ as of _____ has calculated the surface area of all projected roads and those anti-erosion elements that are proposed to be excluded from the land privatization fund. He also pointed out that the preparer of the land arrangement project has conducted surveys of the boundaries of arable fields and lands with perennial plantings to determine the precise surface area of the land included into Lots No. _____ - _____. Likewise he informed that the preparer of the land arrangement project had furnished his calculations in the report, which the President of the Land Commission attaches to the Minutes of the Land Commission meeting.

It was decided:

1) To adjust the size of the surface area of land included into Lots No. _____, based upon the calculations of the preparer of the land arrangement project, to reflect the exclusion of the surface area of all projected roads and anti-erosion elements proposed by the preparer as indicated in the report of the preparer of the land arrangement project, with consideration of surveys of boundaries of arable fields and lands with perennial plantings in Lots No. _____ - _____ conducted by the preparer of the land arrangement project, and to establish the surface area of land of the privatization fund, which is included into Lots No. _____ - _____, in the size of _____ ha.

2) To attach to the Minutes of the Land Commission the report of the preparer of the land arrangement project which contains the recalculation of the surface area of land from the land privatization fund, which is included into Lots No. _____ - _____.

III.

It was discussed:

President of the Land Commission, _____, made a presentation. He mentioned that as a result of the recalculation of the surface area of land from the privatization fund, which is included into Lots No. _____ - _____, it is necessary to recalculate the equivalent land share of owners which will receive land in Lots No. _____ - _____. He also reported that the preparer of the land arrangement project has performed recalculation of the size of such equivalent land share based upon data furnished by the Land Commission regarding the number of land share holders.

It was decided:

1) To perform recalculation and establish the equivalent land share of owners, receiving land in Lots No. _____ - _____ in the size of _____ point-hectares, which equal to the total point-hectares of land from the land privatization fund, included into Lots No. _____ - _____) (_____ point-hectares) divided by the number of full equivalent land shares (_____).

President of the Land Commission	_____	_____
Secretary of the Land Commission	_____	_____
Members of the Land Commission	_____	_____
	_____	_____
	_____	_____
	_____	_____

Sketch and Description of Installed Monuments

placed in _____
 village (commune) _____ rayon _____

Scheme of reference	Brief description of the monument and its location
Scheme of reference	Brief description of the monument and its location
Scheme of reference	Brief description of the monument and its location

Prepared by _____ ()

“ ” _____ 199 _____

REPUBLIC OF MOLDOVA

Object _____

FIELD BOOK No. _____
OF THEODOLITE TRAVERSES

(Object's name)

Executor _____

Chisinau 199 _____

.....
(dotted line denotes separate page)

SUMMARY

Page _____

No.	Name of traverses	Pages

.....
(dotted line denotes separate page)

Page _____

GENERAL PLAN OF TRAVERSES

Total pages:
numbered _____ pages
filled out _____ pages

Executor _____
(signature)

Remarks _____

" " _____ 199 _____ Team leader _____
(signature)

Corrected based on remarks

" " _____ 199 _____ Executor _____
(signature)

Department Chief _____
(signature)

CALCULATION
of surface area for land arrangement

No.		Surface area (ha)	Average soil fertility	Point hectares (3*4)	
1	2	3	4	5	6
1.	Total lands to be allocated: including: arable land orchards vineyards _____ _____				
2.	Point hectares per equivalent land share				
3.	Total supplementary allocation: including: arable land orchards vineyards _____ _____				
4.	Standard amount of point-hectares per equivalent land share				
5.	Total to be transformed into arable land: including: field roads forestry strips _____ _____				
6.	To be projected from arable land total including: roads forestry strips grassy channels for water drainage _____ _____				
7.	Subject to subdivision total including: arable land orchards vineyards _____ _____				

SPREADSHEET
of parceling _____

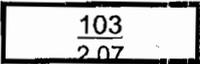
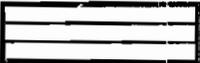
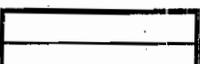
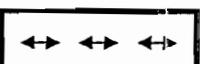
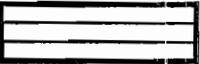
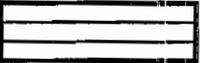
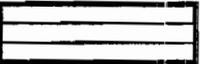
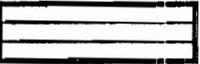
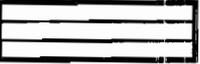
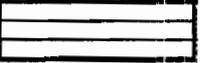
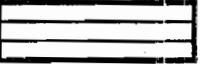
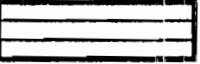
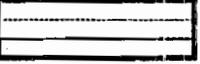
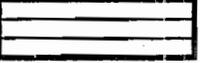
Holder's number from land entitlement list	including												Number of parcels	Total point-hectares in the land share	Total surface area of the land share	Calculated average soil fertility
	vineyard				orchard				arable land							
	parcel cadastral number	surface area (ha)	soil fertility	point-hectares (3*4)	parcel cadastral number	surface area (ha)	soil fertility	point-hectares (7*8)	parcel cadastral number	surface area (ha)	soil fertility	point-hectares (11*12)				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

Annex 12

TABLE
TO CONTROL PROJECTED PARCELS BY LAND TYPES

Landholder's number from land entitlement list	First name, last name, patronymic of the landholder	% land share	Number of parcels	Arable land				Vineyards			Orchards			
				Cadastre numbers of massifs and blocks										
				101	201	303	304	201	303	305	306	101	303	305
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

CONVENTIONAL SIGNS

	Unique numbers and surface areas of parcels
	Numbers and boundaries of soil varieties
	Dikes-ditches of water restraint
	Dikes-ditches of water directing
	Elevated dikes-ditches
	Water evacuation installations
	Grassing channels of water drainage
	Grassing water evacuators
	Grassing buffers - belts on slopes
	Protection forestry belts against wind
	Forestry belts directing water flows
	Highways
	Transit and entrance access roads
	Highways with inverse inclination
	Transit and entrance access roads with inverse inclination
	Transit and entrance access roads with cavities

AKT
on transferring monuments under maintenance

" " 19 _____ city _____

We, the undersigned, the representative _____

on one part and the representative _____

on the other part drafted this Act, according to which the first one furnished and the second one received the geodesic signs fixed while conducting geodesic works related to survey of land under

Within the fixed geodesic signs: _____

ground monuments _____	pieces. No. _____
built-in monuments _____	pieces. No. _____
theodolite points _____	pieces. No. _____

This Act is prepared in 4 copies on the spot the geodesic signs are installed. One copy shall be kept by the surveyor, the second - shall be submitted under supervision to the state geodesic Inspectorate of the National Agency for Geodesy, Cartography, and Cadastre, the third - to the Rayonal Service for Regulation of Land Ownership Regime, and the fourth - is handed out to Mayor's Office

The sketches and the description of installed geodesic signs shall be attached to this Act.

Submitted _____
position, signature, full name

Received _____
position, signature, full name

**PROTOCOL
on Project Demarcation**

(project or object name)

as of " ____ " _____ 199__

The experts:

(entity name)

(full name, position)

starting with _____ until _____ 199__ have accomplished
the demarcation of parcels with an surface area of _____ hectares

(indicate: volume and name

of transposed project elements and fixing methods, as well as

the argumentation of the changes and deviations of the project)

The following persons got acquainted with the results of parcels demarcation:

(full name and position of the Mayor's Office representative (the Client)

Cadastral Engineer

(full name)

(signature)

P.S.
(client)

Client's representative
(full name)

(signature)

This is a sample form. It may be modified by the Primaria as needed.

Annex no. 16

REPUBLIC OF MOLDOVA
Primaria of the village (commune) _____
rayon _____

DECISION

“ ” _____ 199 _____ No. _____

On Approval of Land Arrangement Project,
Allocation of Agricultural Land with Private Ownership
Titles to Owners of Equivalent Land Shares,
and Providing Access to Land Parcels

Whereas, the Land Arrangement Project describes the land to be allocated to owners of equivalent land shares.

Based upon the proposal of the Land Commission and according to Article 13 of the Land Code of the Republic of Moldova, Primaria of the village (commune) decided:

1. To approve the Land Arrangement Project (Land Arrangement Project shall be attached), prepared at 1:2000, 1:5000 scale in accordance with the decision of the Primaria No. _____ of “ ” _____ 199 _____.
2. To allocate land with ownership title to owners of equivalent land shares in accordance with the attached list (Annex no. 1) and the Land Arrangement Project indicated in Section 1.
3. The land arrangement engineer (Mr. _____), within 30 days from the date of this decision, shall:
 - a) register owners of land in the cadastral registry of landholders;
 - b) shall ensure that the Title Certificates of Landholders Right are completed and issued to owners of land in accordance with the list attached pursuant to Section 2 of this decision;
 - c) shall inform all landholders about the rights provided by Section 4 and 5 of this decision, as well as regarding the fact that in conformity with Civil Code it is not allowed to limit owners rights and the activities conducted to limit owners rights shall be considered invalid.
4. Any person who becomes the owner of a parcel which bounds with a projected road as the result of inheritance, purchase or any other means, shall simultaneously acquire the rights to use projected roads.
5. On land parcels no. (in conformity with Land Arrangement Project the following restrictions on the right of use shall be established).
6. To assign the responsibility for the maintenance of forestry belts, hydrotechnical elements to owners, on the parcels of which these elements are located thereon (full name, cadastral number of the parcel and objects surface area).

(As a variant - in case when the roads and antierosional elements are excluded from the privatization fund).

7. To consider the roads with the surface area of _____ hectares and the length of _____ km, which are servicing peasant farms, as property of the village (commune).

Mayor

_____ (full name)

_____ (signature)

P.S.

Secretary of Primaria

_____ (full name)

_____ (signature)

ACT
on Acceptance of Works Conducted during Land Arrangement Project Preparation

" _____ " 199 _____ City _____

We, the undersigned, representing _____

_____ on one side and the representative of _____

on the other side have prepared this Act stating that the first party has delivered and the second party has received the products of works completed during land arrangement project preparation for _____ according to the following list.

Doc no.	Document's Name	No. documents	Mark if it exists
1.	Title page		
2.	Main project indexes.		
3.	Contents		
4.	Explanatory Note		
5.	Authorization to conduct surveys		
6.	List of soil varieties and quality		
7.	Task on land arrangement project preparation.		
8.	Equivalent land share holders list.		
9.	Copy of Primaria decision on establishing the location of land allocated to equivalent land share holders.		
10.	Copy of Primaria decision on excluding or including the roads and antierosion elements in (from) the privatization land fund.		
11.	Calculation of area for land arrangement.		
12.	Parcel projection spreadsheet.		
13.	List of holders grouped and arranged in arable fields and land with perennial plantings.		
14.	Project coordination materials.		
15.	Control table of parcels projected by land type.		
16.	Conventional annexes.		
17.	Act on passing the geodesic points under preservation.		
18.	Act on transposing the project in the field.		
19.	Copy of Primaria decision on approving the land arrangement project and allocation of agricultural land into private ownership.		
20.	Act on work acceptance.		
21.	Graphical representation of land arrangement projects.		
22.	Technical report of surveys of the privatization fund.		
23.	Files containing output project data on exchange of data on land arrangement projects (if exists).		
24.	Copy of village (commune) plan prepared at 1:10000 scale, indicating the location of agricultural parcels and the privatization land fund area.		
25.	Copy of village (commune) soil map.		
26.	Land antierosion sketch, prepared at a 1:10000 scale.		
27.	Copy of village (commune) plan showing the division of land by massifs and sectors (if exists).		
28.	Land arrangement project approved by Primaria, at a 1:2000, 1:5000 scale.		

Delivered: _____
(position, signature, full name)

Accepted: _____
(position, signature, full name)

Graphical representation of the land arrangement project

Village (commune) general sketch

Coordinated with
Environmental
Protection Department
+==

Main project indexes
(annex 1)

Lis of soil varieties and
quality (annex 4)

Conventional signs:

Neighbors:

Land arrangement project

3110311

Approved:

Village (commune)
primaria _____

Rayon _____

Mayor _____
(name)

Stamp _____

Parcel characteristics

Parcel cadastral number	Number of holders according to general list	Surface	
		point - hectares	hectares

3110311	Commune _____	Rayon _____			
	Land arrangement project	Sheet	Sheets		
		1	10		
		Firm (name)			

Graphical representation of the land arrangement project

Conventional
signs

Land arrangement project

3110206

List of soil varieties and quality
(Annex 4)

Parcel characteristics			
Parcel cadastral number	Number of holders acc. to the general list	Surface area	
		points hect.	ha

311206	Commune	Rayon			
	Land arrangement project	Sheet	Sheets		
		2	10		
		Firm (name)			

Neighbors:

Graphical representation of the land arrangement project

Village (commune) general sketch

Conventional signs

Neighbors:

Cadastral plan

3110315

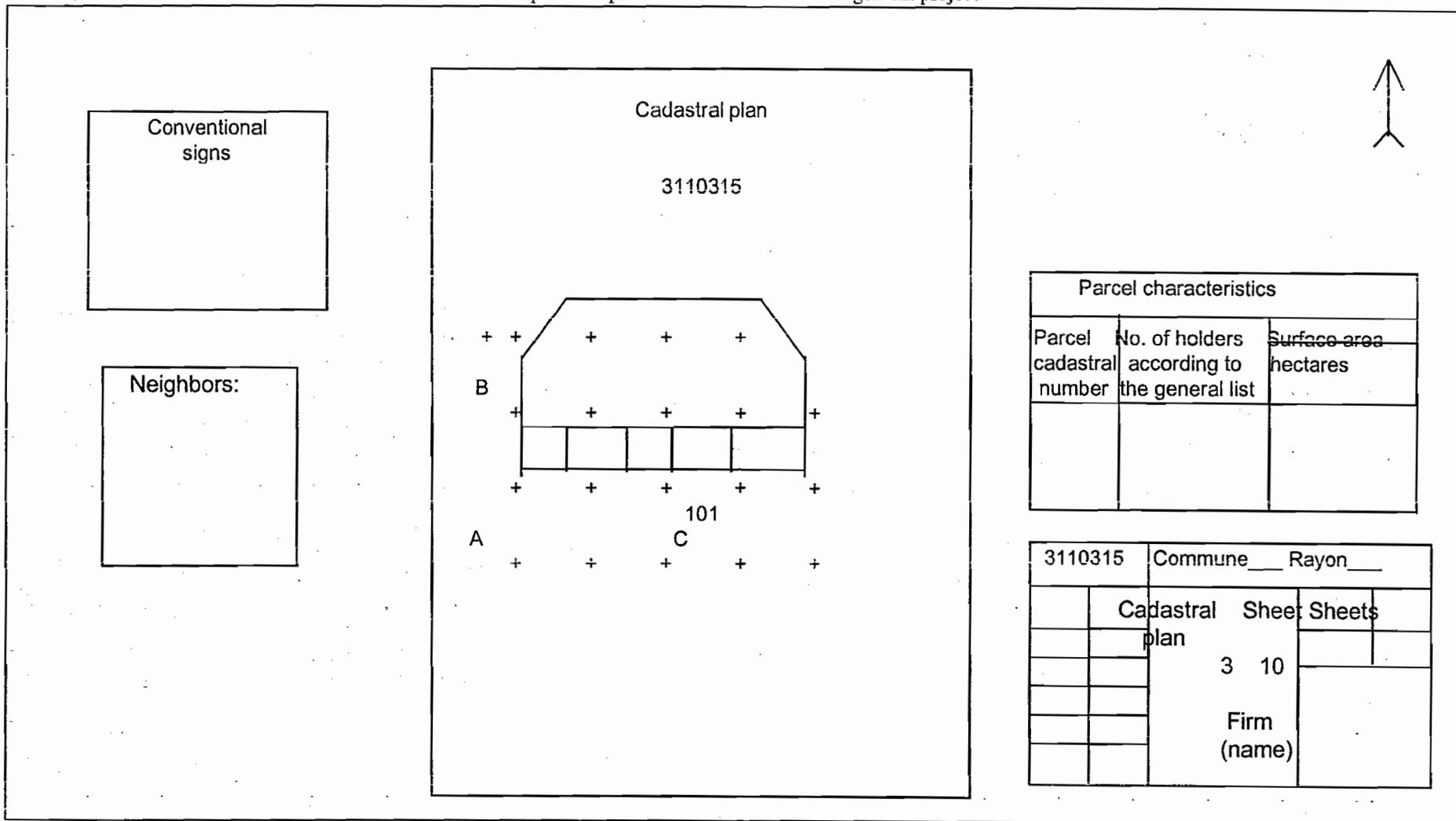
Scale

Parcel characteristics

Parcel cadastral number list	Number of holders acc. to the general list	Area hectares

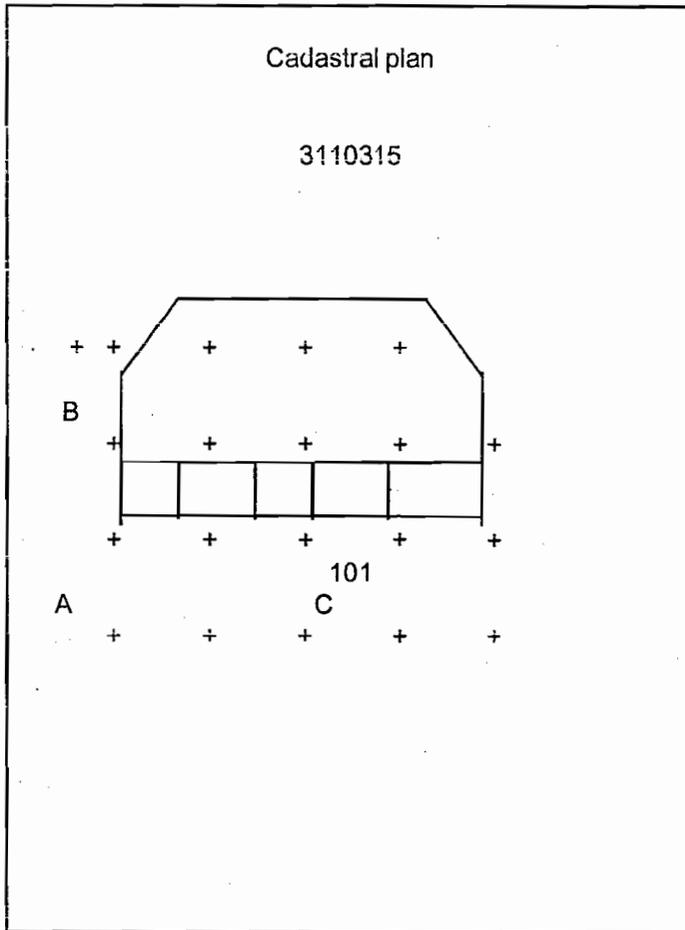
3110315	Commune ___ Rayon ___	
Cadastral plan	(name)	Cadastral Sheet
		Sheets
		1 10
		Firm

Graphical representation of the land arrangement project



Conventional signs

Neighbors:



Parcel characteristics		
Parcel cadastral number	No. of holders according to the general list	Surface area hectares

3110315	Commune	Rayon	
	Cadastral plan	Sheet	Sheets
		3 10	
	Firm (name)		

Coordinated
Vice-minister of Privatization
and State Property Administration

_____, 1997

Approved
General Director, National Agency
for Geodesy, Cartography and Cadastre

_____, 1997

**Provisional Instruction
on the Procedure for Filling Out, Issuance and Maintenance
of Title Certificates Confirming Landholder's Right**

MD RM - 36-02-04-97

1. General Provisions

1.1. This Instruction on Procedure of Filling Out, Issuance and Maintenance of Title Certificates of Landholder's Rights (hereinafter "Instruction") is drafted in accordance with:

- Land Code;
- Law of the Republic of Moldova on State Land Arrangement, State Land Cadastre, and Land Monitoring;
- Law on Normative Price and Procedure of Sale and Purchase of Land;
- Government Decision No. 449 of June 29, 1992, "On Approval of Unique Forms of Documents, Confirming the Right of Land Ownership, Possession and Use;;
- Regulation on Contents of the Main Land Cadastre Documentation approved by the Government Decision No. 24 dated January 11, 1995.;
- Regulation on Sale and purchase of Land Associated with Privatized Objects or Objects Subject to Privatization, approved by Government Decision No. 562 dated October 23, 1996.

1.2 This Instruction defines the procedure for filling out, issuance and maintenance of Title Certificates (hereinafter - Titles).

1.3. The basis for filling out and issuance of the Title shall be the Government Decision, decision of the executive committee, city (municipality), village (commune) primaria (hereinafter "primaria") on allocation of land into private ownership, possession, use dependent on their competence, as well as other right-establishing documents (contracts on sale and purchase, gift, exchange, court order, certificate on inheritance right).

1.4. The Title shall be issued for each land parcel, regardless of their size and number of the holder.

1.5. Filling out, issuance and maintenance of Titles shall be ensured by primaria within which the land parcel is located. The Titles shall be filled out within 10 days from the date the competent public administration authority adopted the Decision on Land Allocation or from the issuance of right-establishing document (documents) to the landholder.

1.6. All works on filling out Titles may be conducted on a contractual basis by individuals and legal entities licensed to conduct cadastral works.

1.7. Titles shall be filled out based on the land arrangement projects, existing land plans and other available cartographic materials, that reflect location of boundaries of the allocated land parcels..

1.8. Each land parcel shall be assigned a unique cadastral number, which structure formation and principles shall be established in the Instruction on Procedure of Formation and Monitoring of Land Parcels Cadastre Numbers.

2. Filling Out of Title

2.1. The Title shall be filled out in 2 copies one of which is handed out to the landholder, and the second is kept at the Primaria. The Title shall be filled out with black ink, typed or filled out by hand. No corrections or erasures are allowed while filling out the Title.

2.2. Section 1 of the Title shall specify the full name of legal entity based on certificate of registration and the location, or full name of individual based on I.D. and his/her home address.

2.3. Section 2 of the Title shall include the following information:

- a) first row -- after words "Primaria Decision" specify the name of village (commune), city (municipality), Primaria which adopted the Decision on Land Allocation.

Where some other documents serves as ground to issue the Title, the words "Primaria Decision" shall be taken in brackets, and instead the name of document which served as a ground for land allocation shall be specified.

b) second row -- name of village (commune), city (municipality), Primaria which adopted the Decision on Land Allocation;

c) third row -- number, date, month and year when the Decision on Land Allocation was adopted;

d) fourth row -- words "ownership" or "use";

Where the parcel is owned by two or more owners, then the words "common ownership" shall be written, specifying the share (proper or decimal fraction) if such is determined;

e) fifth row -- area in hectares with an accuracy up to the 3rd decimal point after the comma.

2.4. Section 3 shall specify the specific purpose (code) of land allocation, according to the classifier (Annex no. 1).

2.5. Section 4 shall specify the registration number, day, month and year when the entry was made into the cadastral registry of landholder.

2.6. Section 5 specifies in figures and written out the date when the Title was issued.

2.7. The Title shall be signed by the Mayor, Secretary and Primaria land arrangement engineer. These signatures shall be certified by Primaria stamp.

2.8. The graphical information shall be entered on the 3rd page in the form of a separate parcel -- part of the cadastral plan or part of the land arrangement plan (topographical basis). Such part shall show all numbers of parcels. The parcel, for which the Title is issued, shall be marked with a thicker line, displaying its boundaries, or with a special colored background.

The upper left corner shall specify the year and quality of measurements conducted (accurate (F) or graphical-analytical (G)), while the right upper corner -- the full cadastral number of the allocated parcel. The scale shall be shown under the graphical display.

2.9. In case, the graphical display consists of one individual parcel, then a list of cadastral numbers of neighboring parcels shall be specified under it. No such list shall be shown in other cases.

3. Title Record Keeping, Issuance and Maintenance

3.1. The filled out Titles shall be handed out by primarias to the landholders after their registration into the cadastral registry of landholders.

3.2. One copy of the Title shall be kept at the Primaria in a fire proof metal box. Only the Mayor and the primaria land arrangement engineer shall have access to these copies. Along with the Titles, the Book on Record Keeping of Title Forms and the cadastral registry of landholders shall be kept therein.

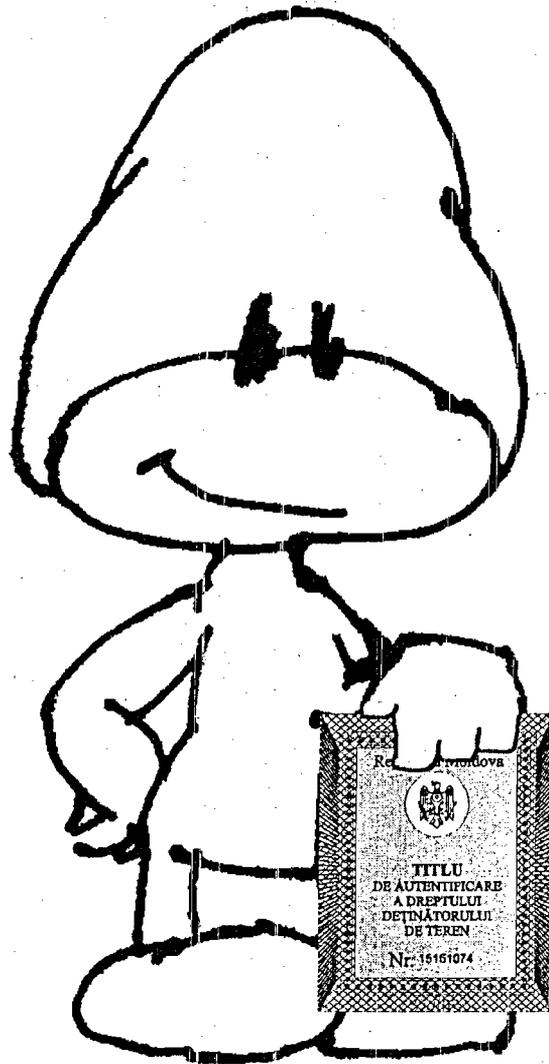
3.9. The Title Certificates shall be canceled by a Primaria decision, in the following cases of:

- conveyance of the land parcel, to which the Title is issued to another individual (legal entity);
- changing land allocation purpose;
- changing the cadastral number;
- spoiling Title as result of natural, social and other calamities;
- failure to make next payment for land parcel in case of installments.

The canceled Titles shall be crossed on all pages with a red line and shall have a note "Canceled" thereon.

The canceled Titles shall be written off pursuant to the procedure established by the NAGCC.

Privatization and Reorganization of Farms in Moldova



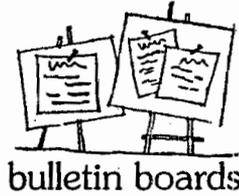
This pamphlet reviews the steps in privatization and reorganization. The final result is land title certificates and distributed property.

Privatization and reorganization of land and property benefit you!
The following is a summary of the privatization and reorganization process.

1. Farm privatization and reorganization means that you will become legal owner of the land and/or property to which you are entitled.



2. You learn about the process by the following means:



bulletin boards



small group discussions

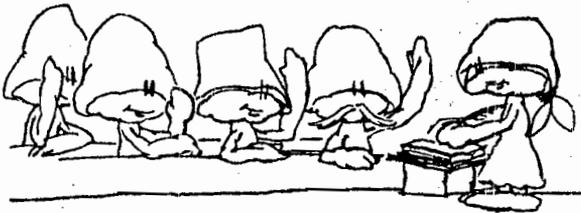


one-on-one discussions



pamphlets

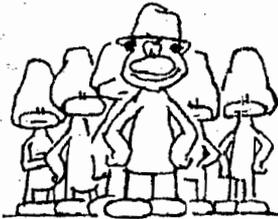
3. Next, you vote on reorganization at the general meeting of farm employees and pensioners.



4. You decide what you want to do in the future.



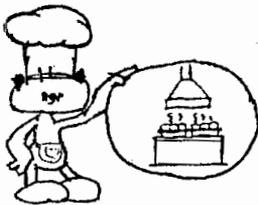
become an individual farmer



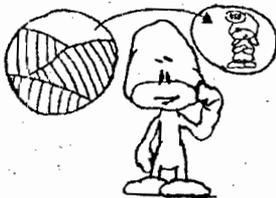
become a leader

or

4.



become an entrepreneur



lease your land and/or property to someone

5.

When you decide what you want to do with your land and/or property, you may make use of:

450 lei

420 lei

350 lei



offers



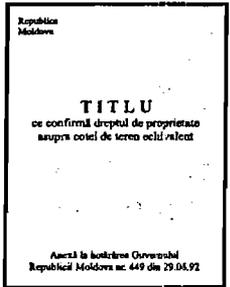
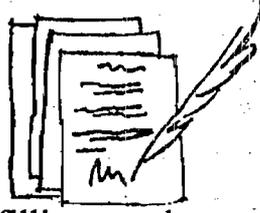
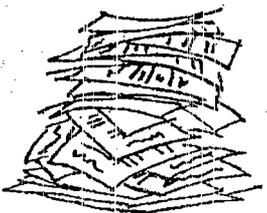
lease agreements



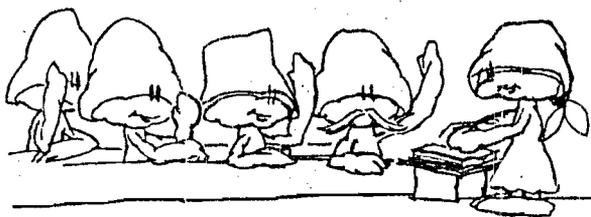
proxies or proxy agreements



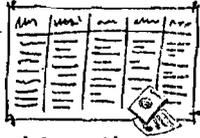
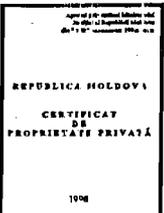
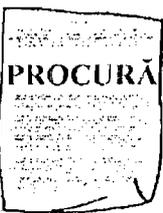
6. You prepare for the land tender by:

- a)  checking the land entitlement list
- b)  receiving your land share certificate
- c)  filling out the application for land
- d)  signing or collecting proxies and/or proxy agreements

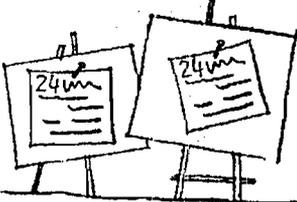
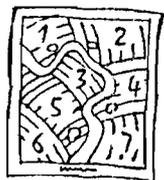
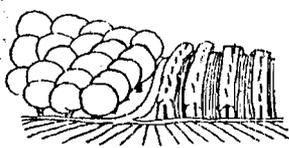
7. The general meeting of farm employees and pensioners, approves the property commission's work.



8. You prepare for the property tender by:

- a)  checking the property entitlement list
- b)  receive your property share certificate
- c)  signing or collecting proxies or proxy agreements

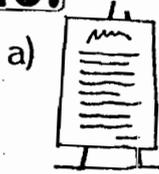
9. The land commission:

- a)  announces the land tender
- b)  approves the map of lots
- c)  distributes the lots of arable land, vineyards and orchards
- d)  approves the list of individuals who will receive land in each field

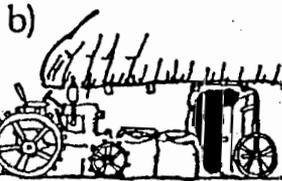


It is up to you to ensure that you understand the process and that it is successfully implemented on your farm. It is up to you to make decisions that make you happy!

10. The property commission:



announces
the property
tender



distributes property



records the distribution
in meeting minutes

11. New enterprise owners:



open bank
accounts

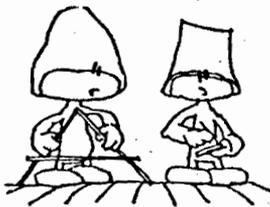


register their
enterprise

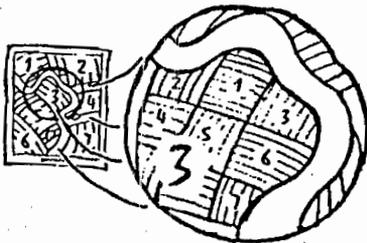
693212-03

apply for a fiscal code

12. The land is divided into

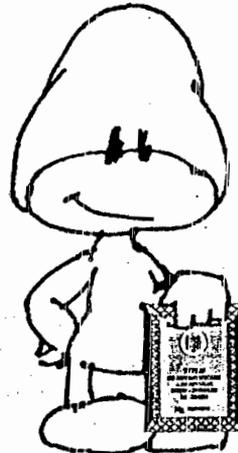


parcels



and parcels
are
allocated to
individuals.

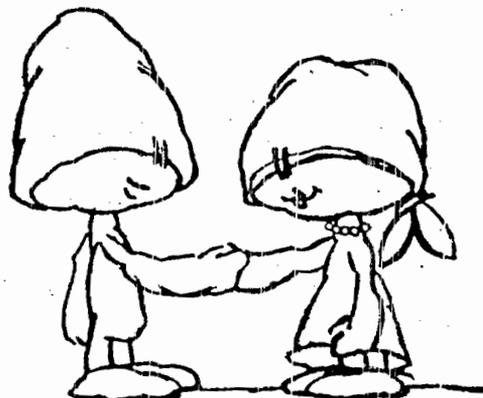
13. You receive your land parcel
and your land title certificate.



14. Successor enterprise is
created (can take place
earlier in the process).



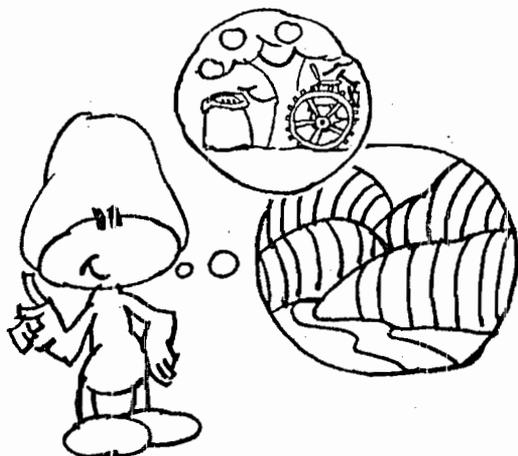
15. Congratulations!



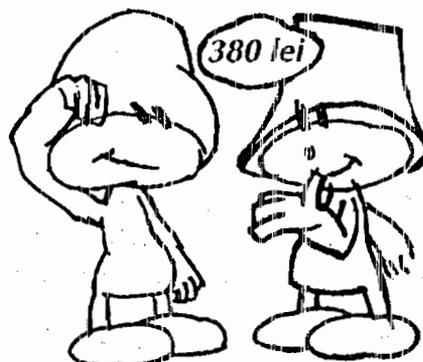
For more information see a manual, contact your farm privatization and reorganization center, local administrators or the Ministry of Privatization and State Property Administration.

Ion gathers offers

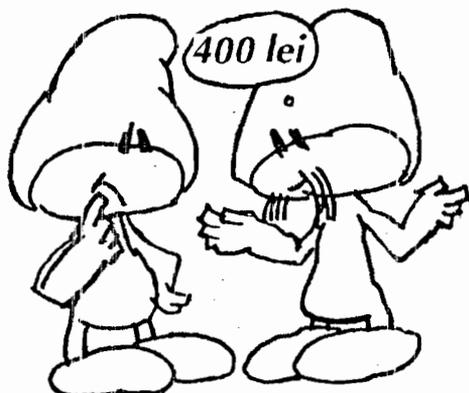
1. Ion wants to lease his land and/or property.



2. He gets an offer from Petru.



3. He gets an offer from Gheorghe.



4. He gets an offer from Maria.



5. Ion thinks about the offers he's received.

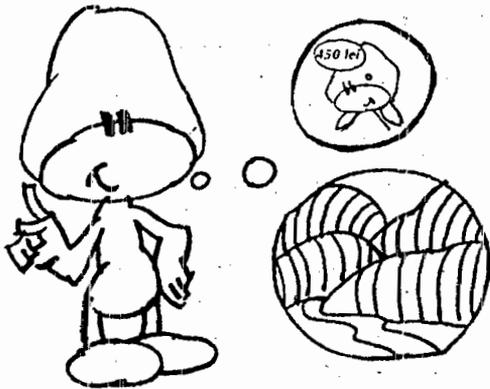


6. Ion decides Maria's offer is best.

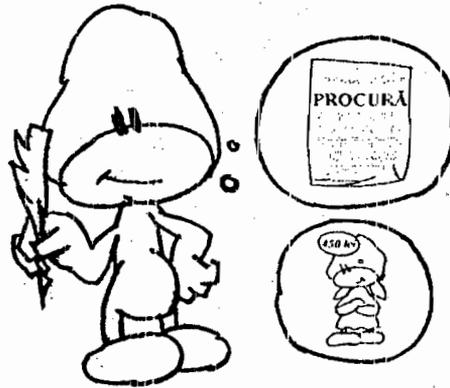


Ion goes through the proxy process

1. Ion wants to lease to Maria his land and/or property.



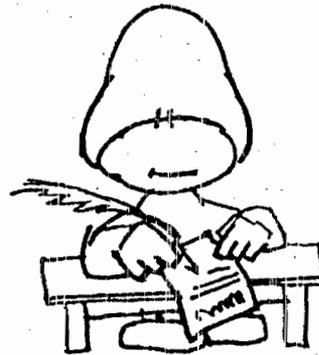
2. He decides to sign a proxy with her.



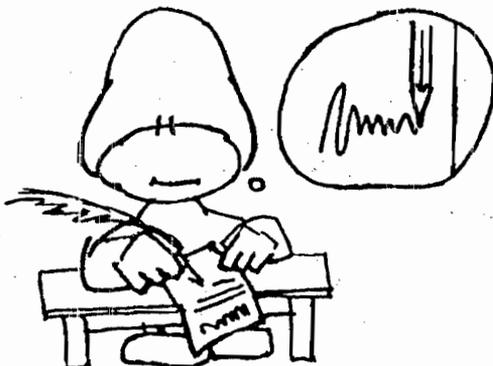
3. He gets a proxy form from the administrators.



4. Ion fills in the necessary information.



5. Ion signs the proxy.

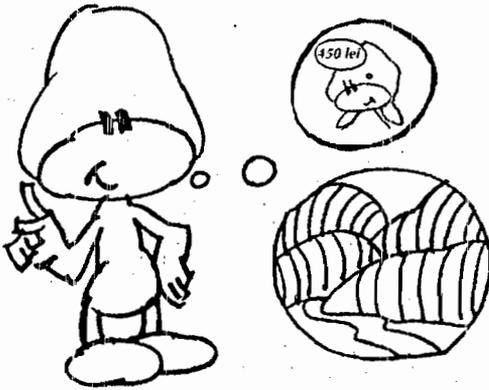


6. Maria represents him at the land and/or property tender.

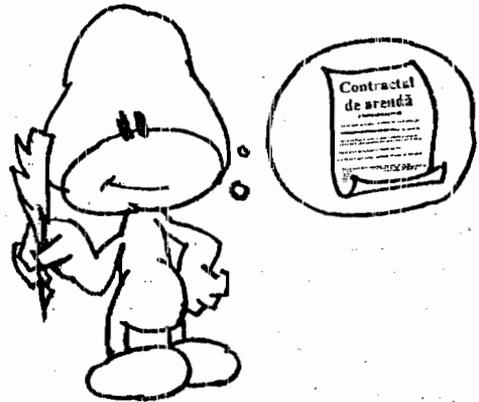


Ion leases his land and/or property

1. Ion has decided to lease his land and/or property to Maria.



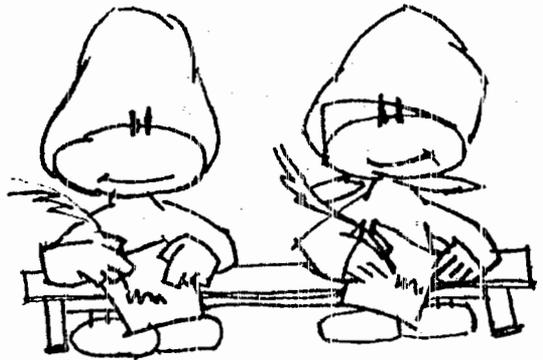
2. He is ready to sign a lease with her.



3. They agree on the terms of the lease.



4. Ion and Maria sign the lease.



5. Ion receives his land title certificate and/or property share certificate and actually gets land and/or property.



6. The lease agreement becomes legal.



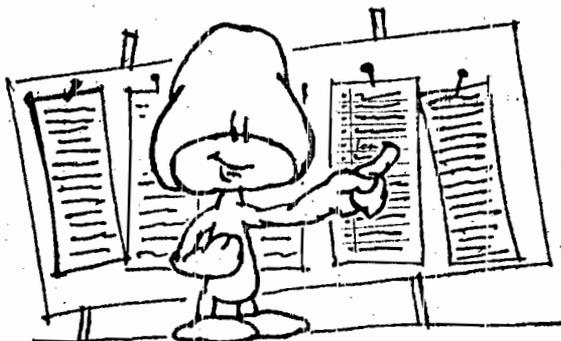
For more information see a manual, contact your local privatization and reorganization center, local administrators of the Ministry of Privatization and State Property Administration.

Ion receives his land share certificate

1. Ion checks the land entitlement list.



2. He verifies that the information about him is correct.



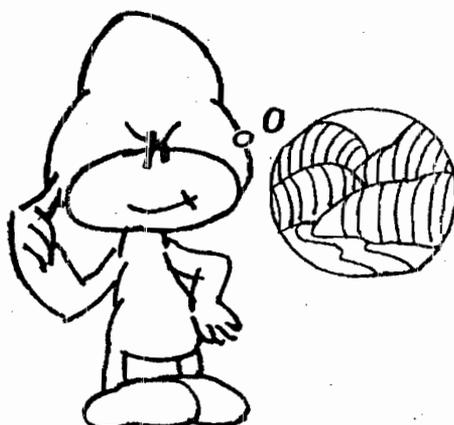
3. He receives his land share certificate.



4. He writes an application for land.



5. He thinks about what he will do with his land.



Ion receives his property share certificate

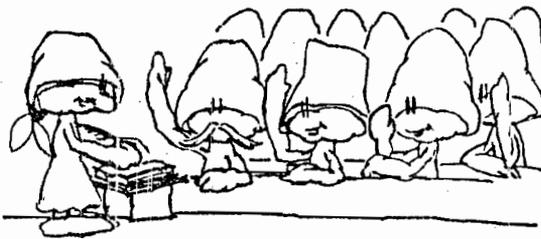
1. Ion checks the property entitlement list.



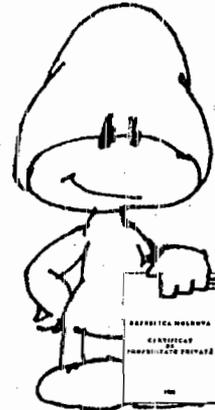
2. He verifies that the information about him is correct.



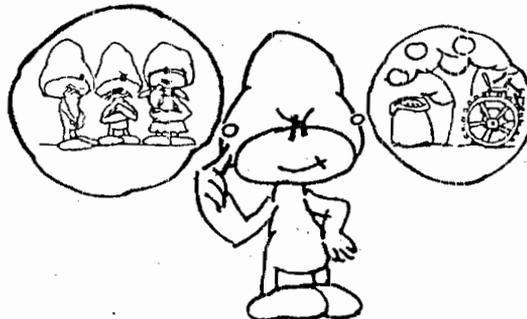
3. The general meeting of farm employees and pensioners votes to approve the results of the work of the property commission.



4. He receives his property share certificate.

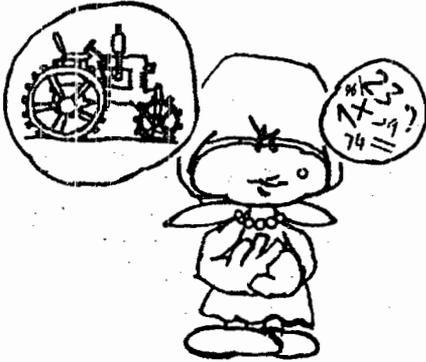


5. He thinks about what he will do with his property share and how he can join with others to get property at the property tender.



Maria, a leader, collects property share certificates in order to get property to form a service enterprise G(eng)-7

1. Maria realizes that she needs many property shares to acquire a tractor.



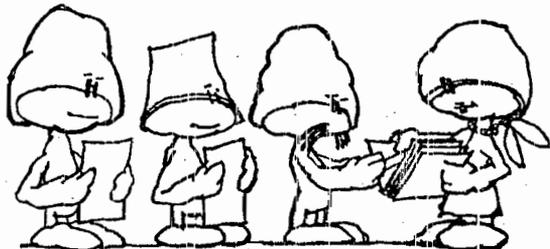
2. She talks with other farm members.



3. She decides to form a service enterprise.



4. She collects proxies and/or proxy agreements and property share certificates.



5. She prepares for the property tender.



Maria, a leader, prepares for and participates in the land tender

1. Maria learns about the land tender.



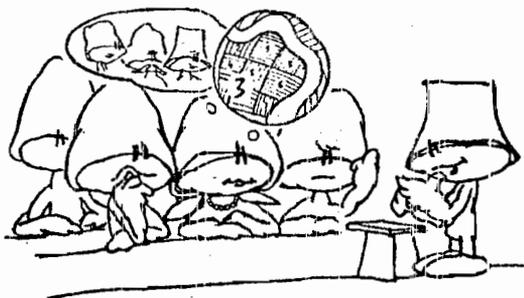
2. She reviews lots marked on the map.



3. She fills out the application for the tender and attaches her documents and the documents of the people she is representing.



4. She participates in the land tender.



5. She receives an excerpt from the land commission meeting minutes.



For more information see a manual, contact your local privatization and reorganization center, local administrators of the Ministry of Privatization and State Property Administration.

Maria, a leader, prepares for and participates in the property tender

1. Maria learns about the tender.



2. She reviews the list of property to be distributed.



3. She completes the application for the tender and attaches her documents and the documents of the people she is representing.



4. Maria's application is accepted.



5. She participates in the tender and receives an excerpt from the meeting minutes and receives the property.

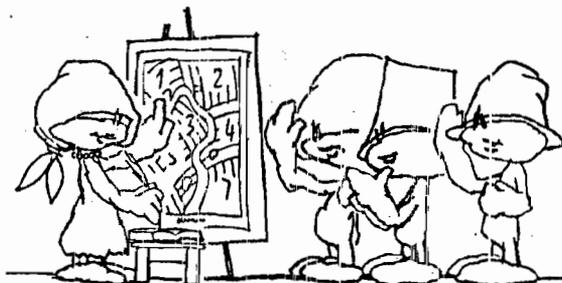


Maria, a leader, distributes parcels in her lots to the individuals she represents

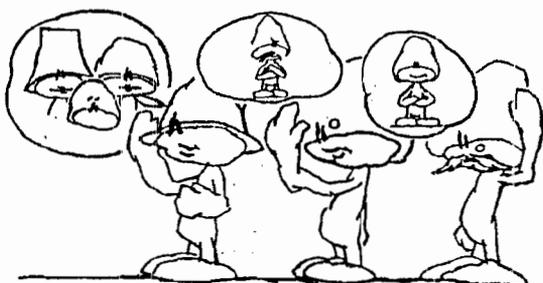
1. Maria needs to distribute parcels within her lots to individuals she represents.



2. Maria considers everyone's preferences when allocating parcels.



3. Some want to be grouped with family or friends.



4. Some want to be located close to their homes.



5. Those with shorter leases may ask to have their parcels placed on the edge of the lot.



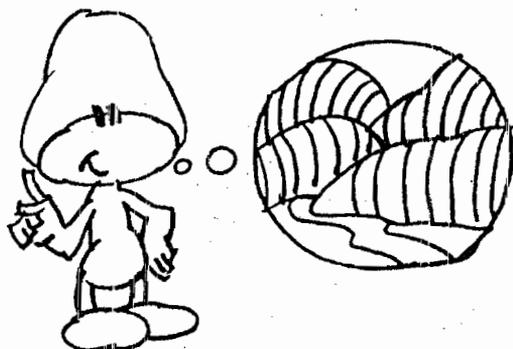
6. Maria prepares the lists of people who will receive parcels on each field.



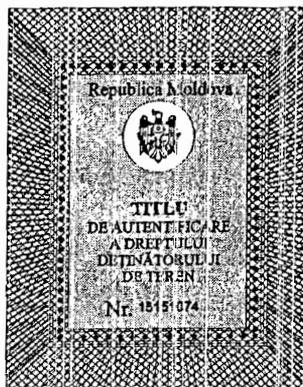
For more information see a manual, contact your local privatization and reorganization center, local administrators of the Ministry of Privatization and State Property Administration.

Steps to Receive a Land Title Certificate for People who Have Already Taken Their Land

1. You have received land before the National Program.



2. However, you do not have a land title certificate to your land.



3. What should you do?



4. Talk to your land commission.



5. The Land Commission can help you get your land title certificate.



For more information see a manual, contact your local privatization and reorganization center, local administrators of the Ministry of Privatization and State Property Administration.

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