

Restrictions on foreigners buying land ends

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The Chamber of Deputies approved an amendment to the Exchange Act, which repeals the restrictions on foreigners buying agricultural land, forests and other real estate in the Czech Republic. Prohibition of sale of land was negotiated with the Czech Republic upon accession to the EU seven years ago, the exemption ends in early May this year. The restrictions have been legally circumvented. In addition, foreign companies with headquarters in the Czech Republic already own tens of thousands hectares of Czech agricultural land. The amendment, which will now be discussed in the Senate, it is to come into effect upon publication in the Code of Law.

Ministry of Agriculture also prepared amendments to three laws to allow preferential purchase of state land by farmers who have already been active on the land. New rules are meant to prevent persons who do not carry out agriculture production from buying the land first. The amendments should ensure the sale of agricultural land to entities that have been carrying out farming production on a minimum area of ten hectares for at least three years. Total agricultural land in CR is 4.25 million hectares. 262,000 hectares goes to state land administered by the Land Fund of the CR, out of which 148,000 hectares is transferable. Czech specificity is the predominant proportion of farmers not farming on their own, but on leased land. This situation is mainly the result of collectivization in the 50s of the last century.

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