

Restrictions on selling land to foreigners ending

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Legal restrictions on the purchase of agricultural land by foreigners will be abolished. It is included in an amendment to Foreign Exchange Act submitted by the government, which was signed by the Czech President Václav Klaus. Czech Republic negotiated the prohibition of sale of land to foreigners upon accession to the EU seven years ago, the exemption expired in early May. Until now, apart from companies of foreign owners residing in the country, only EU citizens who have lived and farmed in the Czech Republic for at least three years were allowed to buy agricultural land. They may also acquire land through intermediaries from the State Land Fund, which sells state land. The total acreage of agricultural land in the Czech Republic is 4.25 million hectares. 262,000 hectares out of it is state land administered by the Land Fund of the Republic, of which 148,000 hectares are transferable. Czech particularity is the predominant proportion of farmers not farming on their own land, but on leased land. This situation is mainly the result of collectivization in the 50's of the last century.

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