What Goods May Be Granted on Lease?

Objects of the lease relations may be agricultural goods, including fields that are public or private property.

Which Are the Parties to the Lease Contract?

The following are the parties to the contract:
1. Renter - natural person or legal entity that has the quality of owner or other legal proprietor of agricultural goods, which are leased. The quality of renter may also be given to a group of co-owners of the agricultural goods;
2. Lessee - natural person and/or legal entity with place of residence (headquarters) in the Republic of Moldova that take agricultural goods on lease.

What should a Lease Contract in the Agriculture Contain?

Based on the Law on Leasing in the Agriculture, No. 198-XV of 15.05.2003, Monitorul Oficial No. 163-166 of 01.08.2003, a lease contract should be concluded in writing and should obligatorily contain data on the following:

- Contracting parties, place of residence and their headquarters;
- Object of the contract;
- Act certifying the right to property or another right of renter to lease the agricultural goods;
- Registration of the contract in the established manner and lease term;
- Composition, form, quantum, modality, term and place for paying the lease;
- Rights and obligations of parties, their liability;
- Conditions for changing and repealing the contract;
- Conditions for using objects located on the leased field, including the agricultural technical equipment;
- Conditions for re-cultivation, as the case may be;
- Maximal legally accepted norms of influencing the environment.

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At the request of one of the parties, the copy of the cadastral plan of these fields may be attached to the lease contract.

Should the Leased Good Be Described?

At the beginning of and in the end of the lease, contracting parties shall be obliged to develop, within 14-day term, the acknowledgement receipt on the agricultural good leased. The receipt will contain the following:

- Data on the cadastral number of the field;
- Length and soil quality;
- Manner to use the field;
- Information on the previous plantations on the respective field for the last 5 years and fertilizers used during these years;
- State of the field (cultivated, non-cultivated, etc.);
- Material and legal flaws.

The right to use the leased agricultural goods shall go into effect from the moment of signing the acknowledgment receipt.

What is the Term of the Lease Contract?

The term for taking the agricultural goods on lease will be established by contracting parties and will not be less than 1 year, and will not exceed 30 years. Upon leasing agricultural fields for multi-annual plantations, the lease contract term will be established for no less than 25 years, unless otherwise specified by the contract.

Is it Necessary To Register the Lease Contract?

The lease contract for fields and other agricultural goods that was concluded for a term longer than 3 years will be registered with the field cadastral office. A contract for up to 3-year term shall be registered with the town hall of the locality the territorial jurisdiction of which includes the respective agricultural fields and goods. Lessee will register the lease contract within 3-month term from the date when it was concluded.

In case a up to 3-year term lease contract is registered with the field cadastral office, then lessee will not have to register it with the town hall.

What Documents Should Be submitted to the Town Hall in Order to Register the Lease Contract?

In order to register the lease contract with the town hall, lessee has to submit the following:

- Three copies of the contract. One of them is the original document or a copy certified under the law;
- The state registration certificate for lessee’s enterprise or the identity card in case lessee is a natural person;
- Receipt of the registration payment.

The registration of the lease contract will be confirmed by applying the town hall stamp, by writing the date of registration on it, and by the signature of person empowered to carry out the registration.

In which Cases the Contract may be changed?

The contract provisions may be changed through the mutual agreement of contracting parties or through the court judgment. In case one of contracting parties intend to change the lease contract provisions, it should ask for the other party’s consent no less than 30 days before the date of presenting the proposed changes. Upon changing the lease contract provisions, contracting parties will sign an additional agreement that will be an integral part of the basic contract and will register it in the manner established by law.

In which Cases the Contract should be considered Ineffective?

The lease contract shall cease in the following cases:

- Expiry of the lease term;
- It is declared null and void;
- The leased goods disappeared;
- The Contract was repealed;
The lease contract may be repealed through the mutual agreement of contracting parties or by court judgment, at the request of one of the contracting parties, in connection with non-fulfillment of the contract-related obligations by the other party. Renter shall be thus entitled to asking the court for the repeal of the lease contract, in case lessee:

- Did not register the contract within 3-month term;
- Refuses to take the agricultural goods provided for by the contract on lease;
- Changed the manner of using the leased goods without renter’s consent;
- Damaged the state of the goods in a manner that it cannot be recovered until the expiry of contract term;
- Did not pay off the lease within 3-month term since the expiry date provided for by the contract;
- Concluded a contract of sublease without the renter’s consent.

**What is the Payment for Lease?**

The payment for taking agricultural fields on lease shall be established in money unities and carried out in barter, money or in barter and money, or in a different form, according to the agreement between the parties. The payment shall be determined, depending upon the length of the rented field, its quality, relief and possibilities of carrying out activities with mechanical equipment, upon other characteristics of the field, the value of the multi-annual plantations on it, and shall not be less than 2% per year of the normative price of the leased field. The barter payment for leasing agricultural fields will be established in a quantity determined by the agricultural products or in a percentage determined by the volume of production. The products for lease will be established by parties, depending on the specifics of the agricultural activity and the respective area.

**Who Should Pay the Taxes?**

Unless the contract provides otherwise, lessee will be obliged to pay the taxes and make other payments under the law.

**May the Field be subleased?**

The agricultural fields may be subleased only through the owner’s consent given in writing and through concluding a separate contract.

Addresses of the Organizations that Can Help you:

1) *Eco-lex*, str. V. Alecsandri 97, office no. 302, Tel. 22.04.12

*Know Your Rights!*

01.06.2003