

N° 3994.

ESTONIE ET LETTONIE

Echange de notes comportant un accord concernant les indemnités à payer lors de l'aliénation des terrains partagés par la frontière entre les deux pays, avec annexe. Riga, le 6 octobre 1936.

ESTONIA AND LATVIA

Exchange of Notes constituting an Agreement regarding the Payment of Indemnities on the Occasion of the Alienation of Estates intersected by the Frontier Line between the Two Countries, with Annex. Riga, October 6th, 1936.

¹ TRADUCTION. — TRANSLATION.

No. 3994. — EXCHANGE OF NOTES ² BETWEEN THE ESTONIAN AND LATVIAN GOVERNMENTS CONSTITUTING AN AGREEMENT REGARDING THE PAYMENT OF INDEMNITIES ON THE OCCASION OF THE ALIENATION OF ESTATES INTERSECTED BY THE FRONTIER LINE BETWEEN THE TWO COUNTRIES. RIGA, OCTOBER 6TH, 1936.

French official text communicated by the Estonian Minister for Foreign Affairs. The registration of this Exchange of Notes took place November 5th, 1936.

I.

MINISTRY
OF FOREIGN AFFAIRS OF LATVIA,
RIGA.

No. B. 710. 3215/36/26854.

RIGA, October 6th, 1936.

SIR,

Acting under instructions from my Government, I have the honour, in confirmation of previous negotiations, to make to you the following communication :

In view of the fact that the Governments of Latvia and Estonia have decided, under Article 18 of the Convention ³ between Latvia and Estonia regarding the delimitation on the spot of the frontier between the two States, and also regarding the rights of the citizens in the frontier zone and the position of immovable property intersected by the frontier line, signed at Riga on October 19th, 1920, to proceed to the expropriation of such lands comprised within the immovable property intersected by the frontier line between Latvia and Estonia as have not yet been liquidated, and

Recognising that it is desirable, in order to safeguard the interests of the nationals of the two States, to carry out the said expropriation simultaneously and under identical conditions, the Governments of Latvia and Estonia have agreed as follows :

I.

Alienable portions of immovable property intersected by the frontier line shall be deemed to be expropriated as from January 1st, 1937. The two Governments undertake to promulgate prior to that date, by means of internal legislation, laws concerning the expropriation of the said lands.

Note. Portions of properties intersected by the frontier line the utilisation of which, under the Note to Article 18 of the above-mentioned Convention of October 19th, 1920,

¹ Traduit par le Secrétariat de la Société des Nations, à titre d'information.

¹ Translated by the Secretariat of the League of Nations, for information.

² Came into force October 6th, 1936.

³ Vol. XVII, page 189, of this Series.

is entrusted to their owners shall not be expropriated, the economic unity of the respective properties remaining unaffected.

2.

The owners of land expropriated shall receive compensation, the amount of which shall be fixed on the basis of the scales annexed to the present note. The payment of compensation shall be made within one year dating from January 1st, 1937.

3.

The amount of compensation for each alienable plot of land and the total amount of compensation for all the alienable lands shall be fixed by agreement between the representatives of the Ministries of Agriculture of the two States, on the basis of the provisions of the scales annexed hereto, each State being liable for compensation in respect of the expropriated lands situate in its territory.

4.

Payment of compensation to the former owners of land expropriated shall be made by the authorities of the State in which the persons entitled to such compensation reside. For that purpose, after the fixing of the total amounts of compensation for alienable lands situated in each country, the difference between the two amounts of compensation to be paid by each of the States to persons resident in the other country shall be transferred to the other State by the State by which the larger sum is due. The transfer shall be effected in the currency of the other State according to the rate of the gold franc, to be based on the content in pure gold of the gold franc and on the rate for pure gold or for securities based on gold and quoted on the local exchange.

5.

When compensation is paid for lands expropriated, persons entitled to receive the said compensation shall not be required to pay sums due in respect of unpaid land tax on the land in question.

6.

Should the alienable land not exceed one quarter of the total area of the immovable property intersected by the frontier, the charges on such property as recorded in the land register shall remain on the main (inalienable) part of the property. Should the alienable land exceed one quarter of the total area of the immovable property, the charges shall be divided between the main part and the alienable part in proportion to their areas. The alienable lands shall be exempt from any other charges which may be placed on the intersected immovable property.

When allocating debts on the intersected immovable property, the portion of the same chargeable to the alienable part of the said property shall be deducted from the amount of compensation payable for the said part and paid to the creditor on presentation of the mortgage deed. Nevertheless, the part of the claim which exceeds the amount of compensation shall remain chargeable to the main part of the immovable property intersected by the frontier.

The allocation of the above-mentioned debts shall be carried out by agreement between the representatives of the Ministries of Agriculture of the two States when they fix the amounts of compensation provided for in Article 3.

The debts allocated, and the exemption of alienable pieces of land from claims on the whole immovable property, shall be recorded simultaneously in the land registers of the two States, on the request of the Ministry of Agriculture of each State.

Note 1. Should the alienable plots of land detached, by entry in the land registers, from the immovable property intersected by the frontier, be liable for claims independently of the main part of the property, such debts shall first be deducted from the amount of

the compensation, whereas that part of the claims on the whole of the immovable property for which the alienable land in question is liable shall be deducted from the remainder of the compensation.

Note 2. When the debts recorded in the land registers before the proclamation of the independence of the two States are allocated, the amount of such charges shall be calculated in the national currency of the State in whose territory the main part of the immovable property is situate, in accordance with the relevant legislative provisions of that State.

Note 3. Should one of the alienable plots of land have a special value, charges when allocated shall be divided between the main part of the divided immovable property and the alienable land in proportion to the value and not to the area of the said plot of land.

I have the honour to be, etc.

A. BĒRSINŠ,
Acting Minister for Foreign Affairs.

His Excellency
Monsieur Karl Menning,
Envoy Extraordinary and
Minister Plenipotentiary of Estonia
in Latvia.

SCALES OF COMPENSATION FOR ALIENABLE PORTIONS OF IMMOVABLE PROPERTIES INTERSECTED
BY THE FRONTIER LINE BETWEEN LATVIA AND ESTONIA.

I.

The valuation of the alienable lands shall be made on the basis of the data for the classification of the lands in the former land register drawn up under the law of 1901.

Note (a). Should one of the two States possess corrected data for the classification of the lands, established at the time of later valuations, the estimate of the value of the land shall be made on the basis of such data, which shall be forwarded to the other State, so that it may make use of them.

Note (b). If the most recent surveys show that there has been a change in the cultivation of the land as shown in the land-register maps, the representatives of the two States shall correct the data for valuation, taking the area under each kind of crop from the most recent surveys.

2.

Localities where there are no data for the classification of the lands in the old land register shall, under the instructions given in the law of 1901, be reclassified. Such reclassification shall be carried out by agreement between the representatives of the Ministries of Agriculture of the two States.

3.

The valuation of the alienable land (plots of land) shall be carried out according to the following scales (per hectare) :

Arable land.

Class III	500.—	gold francs.
» IV	400.—	» »

Class	V	300.—	gold francs.
»	VI	220.—	» »
»	VII	160.—	» »
»	VIII	110.—	» »
»	IX	80.—	» »

Meadowland.

Class	a	b	c	
I AB	800.—	650.—	300.—	gold francs.
II	650.—	450.—	230.—	» »
III	500.—	350.—	175.—	» »
IV	375.—	280.—	125.—	» »
V	280.—	220.—	80.—	» »
VI	200.—	150.—	50.—	» »
VII	150.—	80.—	35.—	» »

Grazing-land.

Class	I	150.—	gold francs.
»	II	100.—	» »
»	III	50.—	» »

Coniferous forests.

Class	I	200.—	gold francs.
»	II	160.—	» »
»	III	120.—	» »
»	IV	80.—	» »
»	V	50.—	» »

Hardwood forests.

Class	I	250.—	gold francs.
»	II	150.—	» »
»	III	75.—	» »

4.

Should the alienable land have a special value, the party concerned shall raise the question of the increase in the scale applicable to the said land, and shall submit to the other party its reasons and arguments for an increased scale, annexing thereto all documents relating to the question. On the basis of these data, the representatives of the Ministries of Agriculture in the two States shall fix by agreement the amount of compensation for the alienable land in question.

5.

The value of growing timber on alienable land shall be fixed in accordance with the forest taxes in force in the area in which the land in question is situated.

6.

The valuation of buildings situate on alienable lands shall be calculated by reference to the cost of construction, with due regard to the percentage of deterioration at the time of valuation.

7.

The amounts payable as compensation shall be fixed in gold francs (one gold franc = 0.29032 grammes pure gold).

The rates of exchange of the lat and the Estonian crown shall be fixed on the basis either of the content in pure gold of the gold franc and the rate for pure gold on the Riga exchange (for fixing the rate of exchange of the lat) and on the Tallinn exchange (for fixing the rate of exchange of the Estonian crown), or on the rate of exchange of foreign currencies based on gold and quoted on the Riga and Tallinn exchanges.

The above-mentioned scales and provisions shall form an integral part of Note No. B 710.3215/36/26854, dated October 6th, 1936.

K. MENNING.

A. BĒRZIŅŠ.

II.

ESTONIAN LEGATION.

No. 1070.

RIGA, *October 6th, 1936.*

SIR,

Acting under instructions from my Government, I have the honour, in confirmation of previous negotiations, to make to you the following communication :

In view of the fact that the Governments of Latvia and Estonia have decided, under Article 18 of the Convention between Latvia and Estonia regarding the delimitation on the spot of the frontier between the two States, and also regarding the rights of the citizens in the frontier zone and the position of immovable property intersected by the frontier line, signed at Riga on October 19th, 1920, to proceed to the expropriation of such lands comprised within the immovable property intersected by the frontier line between Latvia and Estonia as have not yet been liquidated, and

Recognising that it is desirable, in order to safeguard the interests of the nationals of the two States, to carry out the said expropriation simultaneously and under identical conditions, the Governments of Latvia and Estonia have agreed as follows :

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Alienable portions of immovable property intersected by the frontier line shall be deemed to be expropriated as from January 1st, 1937. The two Governments undertake to promulgate prior to that date, by means of internal legislation, laws concerning the expropriation of the said lands.

Note. Portions of properties intersected by the frontier line the utilisation of which, under the Note to Article 18 of the above-mentioned Convention of October 19th, 1920, is entrusted to their owners shall not be expropriated, the economic unity of the respective properties remaining unaffected.

2.

The owners of land expropriated shall receive compensation, the amount of which shall be fixed on the basis of the scales annexed to the present note. The payment of compensation shall be made within one year dating from January 1st, 1937.

3.

The amount of compensation for each alienable plot of land and the total amount of compensation for all the alienable lands shall be fixed by agreement between the representatives of the Ministries of Agriculture of the two States, on the basis of the provisions of the scales annexed hereto, each State being liable for compensation in respect of the expropriated lands situate in its territory.

4.

Payment of compensation to the former owners of land expropriated shall be made by the authorities of the State in which the persons entitled to such compensation reside. For that purpose, after the fixing of the total amounts of compensation for alienable lands situated in each country, the difference between the two amounts of compensation to be paid by each of the States to persons resident in the other country shall be transferred to the other State by the State by which the larger sum is due. The transfer shall be effected in the currency of the other State according to the rate of the gold franc, to be based on the content in pure gold of the gold franc and on the rate for pure gold or for securities based on gold and quoted on the local exchange.

5.

When compensation is paid for lands expropriated, persons entitled to receive the said compensation shall not be required to pay sums due in respect of unpaid land tax on the land in question.

6.

Should the alienable land not exceed one quarter of the total area of the immovable property intersected by the frontier, the charges on such property as recorded in the land register shall remain on the main (inalienable) part of the property. Should the alienable land exceed one quarter of the total area of the immovable property, the charges shall be divided between the main part and the alienable part in proportion to their areas. The alienable lands shall be exempt from any other charges which may be placed on the intersected immovable property.

When allocating debts on the intersected immovable property, the portion of the same chargeable to the alienable part of the said property shall be deducted from the amount of compensation payable for the said part and paid to the creditor on presentation of the mortgage deed. Nevertheless, the part of the claim which exceeds the amount of compensation shall remain chargeable to the main part of the immovable property intersected by the frontier.

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The debts allocated, and the exemption of alienable pieces of land from claims on the whole immovable property, shall be recorded simultaneously in the land registers of the two States, on the request of the Ministry of Agriculture of each State.

Note 1. Should the alienable land detached, by entry in the land registers, from the immovable property intersected by the frontier, be liable for claims independently of the main part of the property, such debts shall first be deducted from the amount of the compensation, whereas that part of the claims on the whole of the immovable property for which the alienable land in question is liable shall be deducted from the remainder of the compensation.

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Note 3. Should one of the alienable plots of land have a special value, charges when allocated shall be divided between the main part of the divided immovable property and the alienable land in proportion to the value and not to the area of the said plot of land.

I have the honour to be, etc.

K. MENNING,
Minister of Estonia.

His Excellency,
Monseigneur Alfrēds Bērziņš,
Assistant Minister of the Interior,
Minister for Foreign Affairs *ad interim*,
Riga.

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Class I	200.—	gold francs.
» II	160.—	» »
» III	120.—	» »
» IV	80.—	» »
» V	50.—	» »

Hardwood forests.

Class I	250.—	gold francs.
» II	150.—	» »
» III	75.—	» »

4.

Should the alienable land have a special value, the party concerned shall raise the question of the increase in the scale applicable to the said land, and shall submit to the other party its reasons and arguments for an increased scale, annexing thereto all documents relating to the question. On the basis of these data, the representatives of the Ministries of Agriculture in the two States shall fix by agreement the amount of compensation for the alienable land in question.

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The above-mentioned scales and provisions shall form an integral part of Note No. 1070 dated October 6th, 1936.

K. MENNING.

A. BĒRZIŅŠ.