Question for written answer E-002962/2015 to the Commission Rule 130 Herbert Dorfmann (PPE)

Subject: Expropriation of farmers via the termination of usufructuary rights in Hungary

Since 1994, the purchase of agricultural land and property in Hungary has been prohibited for citizens from other Member States. Agricultural land could either be leased for a maximum of 10 years, or a corresponding usufructuary right, or right of use, could be acquired for a period of at least 10 years.

In December 2012, the Hungarian Government decided that all acquired usufructuary rights were to come to an end in 2033. One year later, the Government issued a law that declared that usufructuary rights were to be terminated as of 1 May 2014, thus expropriating the foreign farmers without providing them with compensation. Hungary is thus restricting the right of foreign investors to use agricultural land and is therefore in breach of the EU right to free movement of capital (Art. 63 TFEU) and the freedom of establishment (Art. 49 TFEU).

In October 2014, the European Commission therefore initiated infringement proceedings against Hungary. Despite the initiation of these proceedings, the land registries in Hungary began to remove the existing usufructuary rights in October 2014.

How does the Commission intend to proceed against Hungary in the meantime in order to stop the expropriation?

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