
RESETTLEMENT AND LIVELIHOOD RESTORATION FRAMEWORK

for

MORAVA CORRIDOR MOTORWAY PROJECT

(Final)

July 2020



Morova Corridor Motorway Project

RESETTLEMENT AND LIVELIHOOD RESTORATION FRAMEWORK

Version	Revision	Date	Prepared by		Checked by	Approved by
Final Draft	B.0	January 2020	Elçin Kaya Sociologist	Yasemin Çelikel Social Impact Specialist	D. Emre Kaya Environmental Engineer	Günel Özenirler Environmental Engineer
Final Draft	B.1	May 2020	Elçin Kaya Sociologist	Yasemin Çelikel Social Impact Specialist	D. Emre Kaya Environmental Engineer	Günel Özenirler Environmental Engineer
Final	C.0	May 2020	Yasemin Çelikel Social Impact Specialist	Açelya Duman Sociologist	D. Emre Kaya Environmental Engineer	Günel Özenirler Environmental Engineer
Final	C.1	July 2020	Yasemin Çelikel Social Impact Specialist	Açelya Duman Sociologist	D. Emre Kaya Environmental Engineer	Günel Özenirler Environmental Engineer
Final	C.2	August 2020	Yasemin Çelikel Social Impact Specialist	Açelya Duman Sociologist	D. Emre Kaya Environmental Engineer	Günel Özenirler Environmental Engineer

Revision Codes: A: Draft, B: Final Draft, C: Final

SE102-000-ES-PLN-00003

July 2020

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DEFINITIONS

Compensation	Payment in cash or in kind for an asset or a resource that is acquired or affected by a project at the time the asset needs to be replaced.
Cut-off date	Date of completion of the census and assets inventory of persons affected by the project. Persons occupying the project area after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the date of completion of the assets inventory, or an alternative mutually agreed on date, will not be compensated.
Economic Displacement	Loss of income streams or means of livelihood resulting from land acquisition or obstructed access to resources (land, water, or forest) resulting from the construction or operation of a project or its facilities.
Involuntary resettlement	Involuntary resettlement refers to both physical displacement (relocation or loss of shelter) and economic displacement (loss of assets or resources, and/or loss of access to assets or resources that leads to loss of income sources or means of livelihood) as a result of project-related land acquisition ¹ and/or restrictions on land use.
Land Acquisition	Land acquisition includes both outright purchases of property and purchases of access rights, such as easements or lease agreement of way
Livelihood Restoration	Includes all efforts to be undertaken to assist PAPs impacted by physical or economical displacement to improve their livelihoods and standards of living, or at least to restore to level before displacement or to level prior to the beginning of project implementation, whichever is higher. Assistance in livelihood restoration will continue in a transition period, based on a reasonable estimate of the time likely needed.
Moving allowance	The moving allowance is a cash compensation for expenses directly associated to moving/relocation of the household.
Physical Displacement	Loss of shelter and assets resulting from the acquisition of land associated with a project that requires the affected person(s) to move to another location.
Project Affected Persons	Any person who, as a result of the implementation of a project, loses the right to own, use, or otherwise benefit from a built structure, land (residential, agricultural, or pasture), annual or perennial crops and trees, or any other fixed or moveable asset, either in full or in part, permanently or temporarily.
Replacement cost	Refers to a method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs as defined by IFI's resettlement policies.
Resettlement	Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition, or restrictions on land use, that result in displacement. This occurs in cases of: (i) lawful expropriation or restrictions on land use based on eminent domain; and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.

Stakeholder	Any and all individuals, groups, organizations, and institutions interested in and potentially affected by a project or having the ability to influence a project
Transitional allowance	Describes one-off cash compensation as an additional financial assistance to facilitate PAP adjustment in the area to which they are relocated.
Vulnerable Persons	Persons who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by the Project impacts, including land acquisition and, resettlement, than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

ABBREVIATIONS

CLS	Community Level Surveys
CoS	Corridors of Serbia
CRSD	Community Relations and Sustainability Department
EIA	Environmental Impact Assessment
EP	Equator Principles
ESIA	Environmental and Social Impact Assessment
ESS	Environmental Social Standard
FGD	Focus Group Discussion
HH	Household Surveys
HRS	Human Resources Specialist
IFC	International Finance Corporation
IJC	Jaroslav Černi Water Institute
KII	Key Informant Interviews
LRP	Livelihood Restoration Plan
MCTI	Ministry of Construction, Transport and Infrastructure
NGO	Non-Governmental Organization
OPIC	Overseas Private Investment Corporation
PAP	Project Affected Persons
PPM	Public Participation Meeting
PPPPN	The Regional Plan for the Special Purpose Infrastructure Corridor Highway E-761, Section Pojate-Preljina
PS	Performance Standards
RoS	Roads of Serbia
SEP	Stakeholder Engagement Plan
SIA	Social Impact Assessment
TBD	To be determined
UKEF	UK Export Finance

1 INTRODUCTION

This Resettlement and Livelihood Restoration Framework (hereinafter: The Framework) is part of the Environmental and Social Impact Assessment for the *Morava Corridor Motorway Project* (herein after ‘the Project’), prepared by 2U1K Engineering and Consultancy Inc. on behalf of “Bechtel Corporation–ENKA İnşaat ve Sanayi A.Ş. (hereinafter referred to as “Contractor”). The proposed Project is planned to be fund by the Government of Serbia with support from various international financial institutions and the Corridors of Serbia is the implementing entity of the Project (hereinafter referred to as “Employer”).

This document is part of the disclosure package and should be read along ESIA (Environmental and Social Impact Assessment) and Stakeholder Engagement Plan (SEP) and other social documents.

Government of Serbia is the borrower of the Project and the Corridors of Serbia (CoS) is the Employer and implementing entity responsible for the access to the Project site, land acquisition and expropriation for Motorway construction facilities, and for River Regulation works on behalf of the Serbian Water Authority, in line with the standards and policies given in this RLRF. .

The proposed Project is planned to be funded by the Government of Serbia with support from various financial institutions, which require ESIA and Resettlement Action Plan (RAP) and Livelihood Restoration Plan (LRP). The Project’s exact nature or magnitude of the land acquisition or restrictions on land use, which are expected to cause physical and/or economic displacement, is unknown at this stage. Therefore, the CoS is responsible to prepare and implement Resettlement and Livelihood Restoration Framework to outline general principles in accordance with the International Finance Corporation (IFC) Performance Standards (PSs) (particularly PS 5) and Good Practice Handbook: Land Acquisition and Resettlement by IFC. In this regard, this Framework is applicable to all Project related permanent and temporary works for the execution of the Project. Once the physical footprint for the Project and individual Project components are defined and the necessary information becomes available, such a framework will be expanded into a specific Resettlement Action Plan or Livelihood Restoration Plan and procedures.

In short, the Framework describes Serbian legal framework on involuntary resettlement, relocation and loss of assets, provides a gap analysis of national legal system to IFC PS 5, and international best practices with mitigations to bridge the gaps.

This document provides a framework for the basic and binding principles to be applied in all cases of physical resettlement, economic displacement and livelihood impacts caused by Project implementation in any of its phases. These principles should govern all actions of the

Project Employer and its representatives, contractors, all other state and local institutions involved in the Project implementation.

The objective of this Framework is to:

- set out how the Project will approach any physical or economic displacement resulting from its operations,
- define resettlement principles and organizational arrangement,
- present approach on Project Affected Persons's (PAPs) eligibility criteria, compensation framework with an entitlement matrix,
- depict methods for stakeholder engagement pursuant to the Project level SEP and describe grievance mechanism,
- provide a framework for supervision, monitoring and evaluation of resettlement,
- outline the process and principles for the preparation of RAP and LRP.

2 PROJECT DESCRIPTION

The Project is located in the West Morava Region of Serbia, which is approximately 112.4 km length alignment and connects Preljina near Čačak with Pojate on the A1 Motorway (the North-South motorway in central Serbia) through Kruševac. The Figure 2-1 below presents the location of the Project.



Figure 2-1. Project Alignment

The Project execution will require permanent acquisition of land by using expropriation in 48 villages within the borders of 7 municipalities. For convenience, the Project has been divided into 3 Sections with 9 Sectors distributed differently along each Section, to allow construction planning efficiently.

The length of the Sectors indicating the start and end points according to the Sections of the Project is given in the below Table 2-1.

Table 2-1. The Sections of the Project

Project Sections		Length (km)	Number of Bridges	Number of Overpasses	Number of Interchanges
Section 1 Pojate - Kruševac (Koševi)		27.83	10	8	4
Sector 1	Pojate – bridge across South Morava	9.06			
Sector 2	bridge across South Morava – Makrešane	7.89			
Sector 3	Makrešane – Koševi	10.88			
Section 2: Kruševac (Koševi)-Adrani		52.86	15	8	5
Sector 4	Kruševac (Koševi) -Lopoška river	13.90			
Sector 5	Lopoška river - Trstenik	14.40			
Sector 6	Trstenik – Tovarnica river	11.23			
Sector 7	Tovarnica river - Adrani	13.33			
Section 3: Adrani-Preljina		28.66	15	4	2
Sector 8	Adrani interchange – Mrčajevci interchange	15.23			
Sector 9a	Mrčajevci interchange – Preljina interchange	10.71			
Sector 9b	Preljina interchange - Preljina interchange (E-763)	2.72			

The Table 2-2 presents the Responsible Institutions of the Project, respectively.

Table 2-2. Responsible Institutions and Their Roles Land Acquisition & Expropriation

Section	Expropriation	Construction Employer	Operator
Section 1	CoS	CoS	Roads of Serbia (RoS)
Section 2	CoS	CoS	RoS
Section 3	RoS/CoS	CoS	RoS
Responsibilities	Land cadastral maps Expropriation administration Payment	Supervision of design and construction (through and third party Consultant) Ownership of RAP Monitoring	Operation and maintenance of motorway

The Framework is applicable to all land acquisition operations to be executed for the Project, with respect to Motorway, Project construction facilities¹ and river regulation works. The requirements and guiding principles stipulated in the RLRF also apply to land acquisition activities already carried out. In this regard, Project Affected Persons who have already been subject to Project-related expropriation fall under the scope of intervention of this Framework. The subsequent Resettlement Action Plan to be developed and implemented, in full

¹ Construction facilities in which are also funded as a part of Project are borrow pits, deposit areas, precast yard, quarry, crushers, concrete batching plants and asphalt plants.

compliance with the requirements and guiding principles of this RLRF, shall consider those PAPs already expropriated found eligible and shall grant access to resettlement and livelihood restoration measures to be defined in the respective RAPs to be developed and executed.

2.1 Land Acquisition and Resettlement Context

This section of the Framework represents the land acquisition requirements for the Project and its construction facilities according to the Sections. Although the physical footprint for the Motorway alignment is yet to be refined, it is known that the Project will also require some temporary land take for construction routes, deposit areas, borrow pits, camps, temporary storage for excavated materials/soil, cut trees etc.

At this stage, the land acquisition plans that depict impact on parcels for Section 1 were finalized during preparation of this Framework. Therefore, this Framework in terms of estimated losses is based on the findings for Section 1's land acquisition information and estimations were made for Section 2 and 3.

2.1.1 Land Acquisition Impacts

The development of the Project, including all structures (overpasses, underpasses, interchanges, culverts, bridges) and construction facilities will lead to impacts on the existing land use pattern and livelihood. The main land types per use that will be affected by the Project are: agricultural, forest, while per type of ownership these are: public and private land. Potential source of impacts due to land acquisition are listed in the following bullets;

- The Project will require temporary land take for the construction routes, construction laydown areas and camps, temporary storage of excavated materials/soil, cut trees etc. (The Contractor should notify the affected land owners and tenants at least 3 days prior to physically entering to the land²).
- There will be permanent loss of private and governmental lands includes the land types of agricultural land, forest land, meadows, mineral extraction sites, pond, road network, rural and urban sites and water courses. PAPs whom will go through expropriation on agricultural lands may experience loss of main or partial source of their household income. Furthermore, the remaining parcels of the agricultural land after expropriation may not be suitable for cultivation.
- Business lands will be affected during the land acquisition/ expropriation process.
- Loss of the forestland function within the Motorway's expropriation corridor will result in loss of its economic function as well as socio-economic value for the local communities, especially in ecosystem services use.

² See Annex 1 for Land Entry Protocol and Annex 2 for Land Exit Protocol.

The land acquisition impacts of the Project can be analyzed in terms of direct and indirect impacts. Following bullets describe the both types of impacts in detail.

- **Direct Impacts:** PAPs losing land for the Project purposes permanently and/or temporary will face direct impacts of the Project. Direct impacts cover physical and economic displacement, loss of access to community infrastructure, impacts on cultural heritage, local infiltration, loss of access to agricultural lands, fragmentation of the agricultural lands and access to ecosystem services of the PAPs. According to the Spatial Plan³, the width of the Motorway is 70 m, there is a direct protection belt of 40 m on each side of the Motorway including service road. Also, temporary structures (i.e. worker camps, waste storages, etc.) will cause direct impacts to the PAPs who used those lands prior to the Project.
- **Indirect Impacts:** The indirect impacts of the Project include impacts from unplanned but predictable later Project development and Project impacts on biodiversity, or ecosystem services on which affected communities' livelihoods are dependent.

Indirect impacts may be caused from various sources as;

- PAPs unable to access forest lands,
- PAPs losing livelihoods due to noise and dust, and
- PAPs experiencing difficulties in access to land.

The 48 villages that will be affected by the Project execution whether directly and/or indirectly is presented in the Table 2-3, including the total number of households, average number of household members and the closest Project unit of each village.

³ The official process of the Project started in 2010 by the Republic of Serbia through adopting decision on development of the Spatial Plan for Specific Purposes for infrastructural corridor highway E-761, Section Pojate-Preljina (Official Gazette RS 84/10). In 2013, the Regulation of Spatial Plan for Specific Purposes for infrastructural corridor highway E-761 Section Pojate-Preljina adopted (Official Gazette RS 98/13).

Table 2-3. List of Settlements affected by the Project Directly and/or Indirectly⁴

Section Number	Settlement	Total Households	Average Number of Household Members	Closest Project Unit
1	Pojate	246	3,44	Motorway
1	Stalać	477	3,28	Motorway
1	Grad Stalać	202	3,43	Borrow & Batch
1	Maskare	172	2,9	Borrow
1	Mrzenica	69	2,71	Borrow & River Reg.
1	Bošnjane	530	3,23	Borrow
1	Makrešane	412	3,43	Batch
1	Bivolje	86	3,2	Camp & Dike & Asphalt & Batch
1	Jasika	554	3,22	Batch & Asphalt & Dike
1	Čitluk	901	3,46	River Reg.
2	Koševi	97	3,95	Borrow
2	Kukljin	455	3,37	Quarry & Borrow
2	Bela Voda	311	3,91	Motorway
2	Selište	228	3,76	Motorway
2	Velika Drenova	708	3,34	Motorway
2	Medveđa	722	3,14	Batch & River Reg
2	Bogdanje	292	3,33	River Reg & Borrow
2	Grabovac	50	2,62	Motorway
2	Lozna	115	2,92	Quarry
2	Štulac	390	3,04	Borrow & Asphalt & Camp
2	Ruđinci	787	3,13	Camp & Asphalt & Borrow
2	Vrnjci	696	3,25	Borrow & Batch

⁴ The list of PAPs within the Section-1 is provided by CoS. Land acquisition data for private parcels includes size of land impacted per parcel.

Section Number	Settlement	Total Households	Average Number of Household Members	Closest Project Unit
2	Ugljarevo	164	2,74	Borrow
2	Novo Selo	1331	3,35	Motorway
2	Stubal	357	3,34	Borrow
2	Podunavci	454	3,31	Motorway
2	Gračac	595	3,08	Batch
2	Vraneši	451	3,1	Motorway
2	Vrba	432	3,16	Motorway
2	Zaklopača	341	3,42	Motorway
2	Ratina	983	3,27	Beam Plant & Motorway
2	Šumarice	168	2,97	Borrow
2	Sirča	436	3,07	River Reg & Borrow
3	Grdica	251	3,26	Borrow & River Reg
3	Adrani	726	3,07	Borrow & Camp & River Reg
3	Popovići	92	3,34	River Reg
3	Miločaj	296	3,44	River Reg
3	Obrva	201	3,25	Borrow
3	Goričani	225	3,1	Borrow & River Reg.
3	Katrga	277	3,17	Motorway
3	Mrčajevci	913	3,03	Motorway
3	Donja Gorevnica	313	2,8	Motorway
3	Stančići	83	3,99	Batch & Borrow
3	Baluga (Ljubićska)	122	3,4	Motorway
3	Konjevići	269	3,19	Motorway
3	Preljina	552	3,33	Batch
3	Rakova	211	3,13	Motorway
3	Sokolići	56	2,86	Motorway

2.1.2 Section-1

2.1.2.1 Motorway Construction

For the construction of the Motorway in Section-1, it is estimated that a total area of 267 ha area is required permanently including land required for construction camp sites.

The expropriation zone of the motorway alignment passes through the 17 Cadastral Municipalities⁵ within the borders of the three Municipalities including; Krusevac, Cicevac and Varvarin. The private lands constitute 83% of the affected lands including the 1% of the business. The public land constitute 17% of overall impacted land; of which Government lands consist 14% of the affected lands and Municipal land 3%. The Figure 2-2 presents expropriation route, river regulation and location of the Project facilities for Section-1.

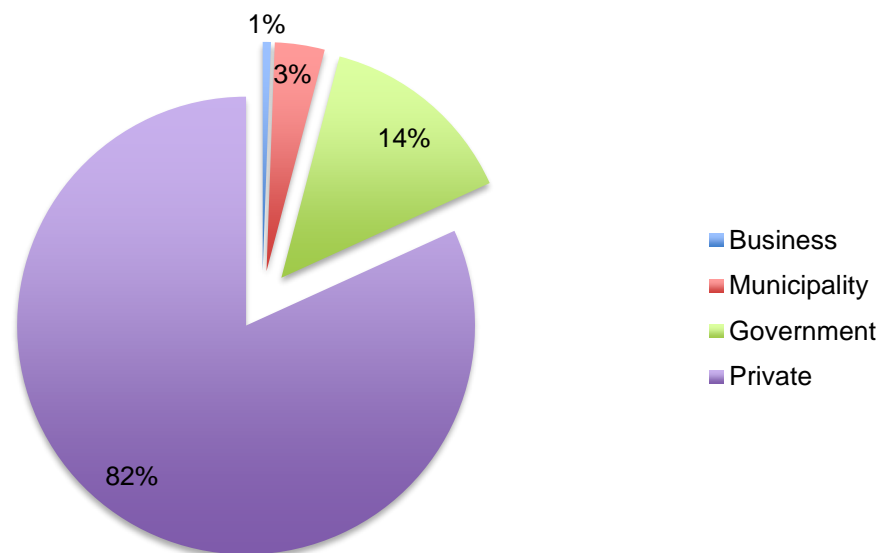


Figure 2-2. Land Types According to the Ownership Status

⁵ Cadastral municipality is a subclass of administrative territorial entity and records property ownership in a cadastre, which is a register describing property ownership by boundary lines of the real estate. The land record in Serbia is kept by cadastral municipalities.

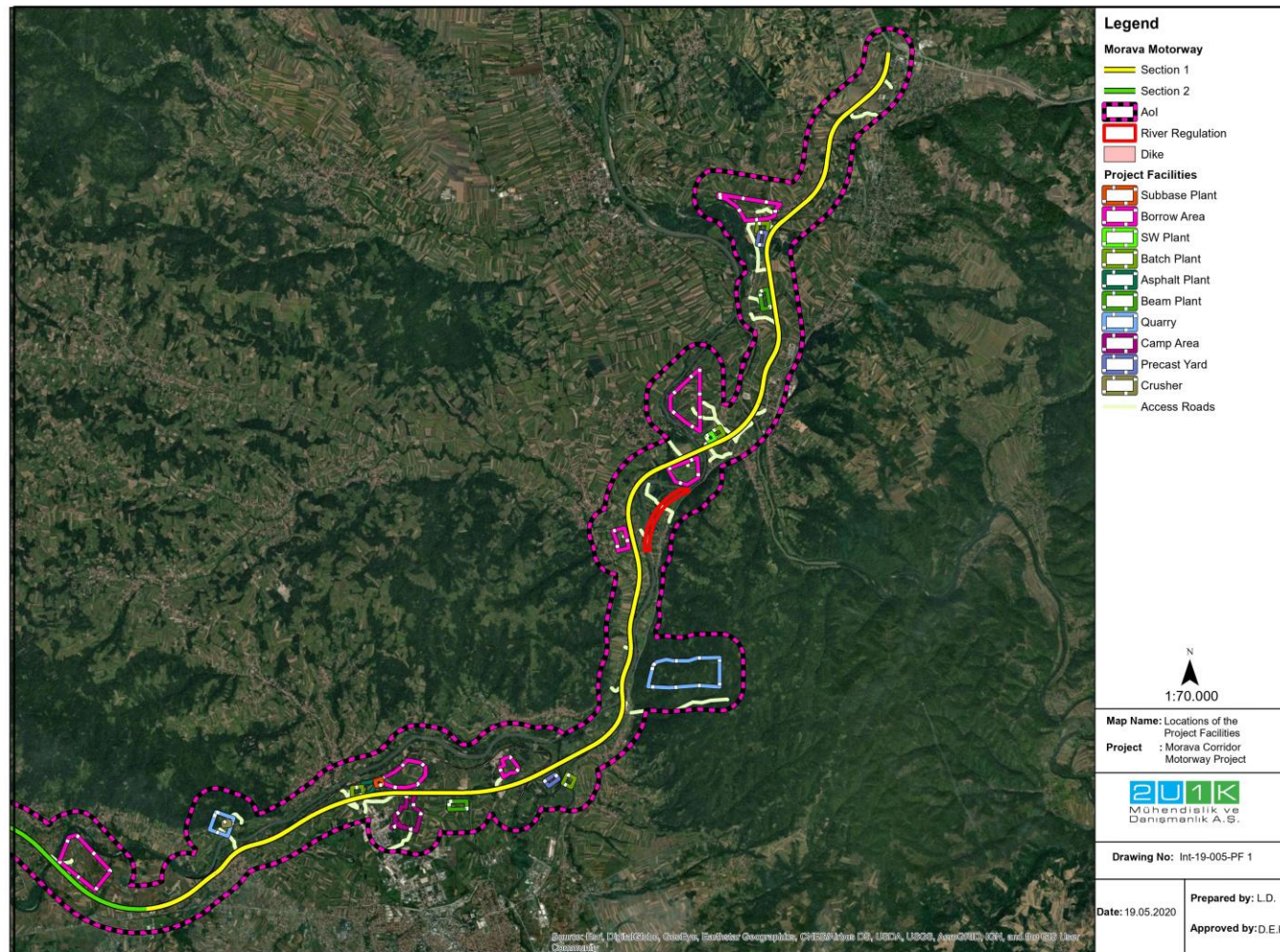


Figure 2-3. Expropriation Route and Location of the Project Facilities for Section 1

2.1.2.2 Project Construction Facilities

Project construction facilities will also require land acquisition. The construction facilities for the Section-1 consists of beam plant, borrow areas, deposit areas, precast yard, quarry, subbase plant SW plant and the camp area. Total land required for the construction facilities is estimated at approximately 600 ha.

Should for any reason these location change or new locations be added they shall be subject to this Framework in term of land acquisition.

2.1.3 Section-2

2.1.3.1 Motorway Construction

For the construction of the Motorway in Section-2, at this stage of the Project, it is estimated that 530 ha required permanently. Furthermore, land required area for the temporary usage (access roads, storage areas) will be determined in the further stages of the Project Design.

The expropriation zone of the motorway alignment passes through the Kraljevo, Vrnjacka Banja, Trstenik Municipalities. This Section includes 42 Cadastral Municipalities.

2.1.3.2 Project Construction Facilities

The Project construction facilities for the Section-2 will consist asphalt plant, batch plant, beam plant, barrow area, precast yard, quarry, subbase plant SW plant and the camp area. Total land required for the construction facilities is estimated at approximately 750 ha (maximum) at this stage of the Project.

Figure 2-4 and Figure 2-5 presents expropriation route, river regulation and location of the Project facilities for Section-2.

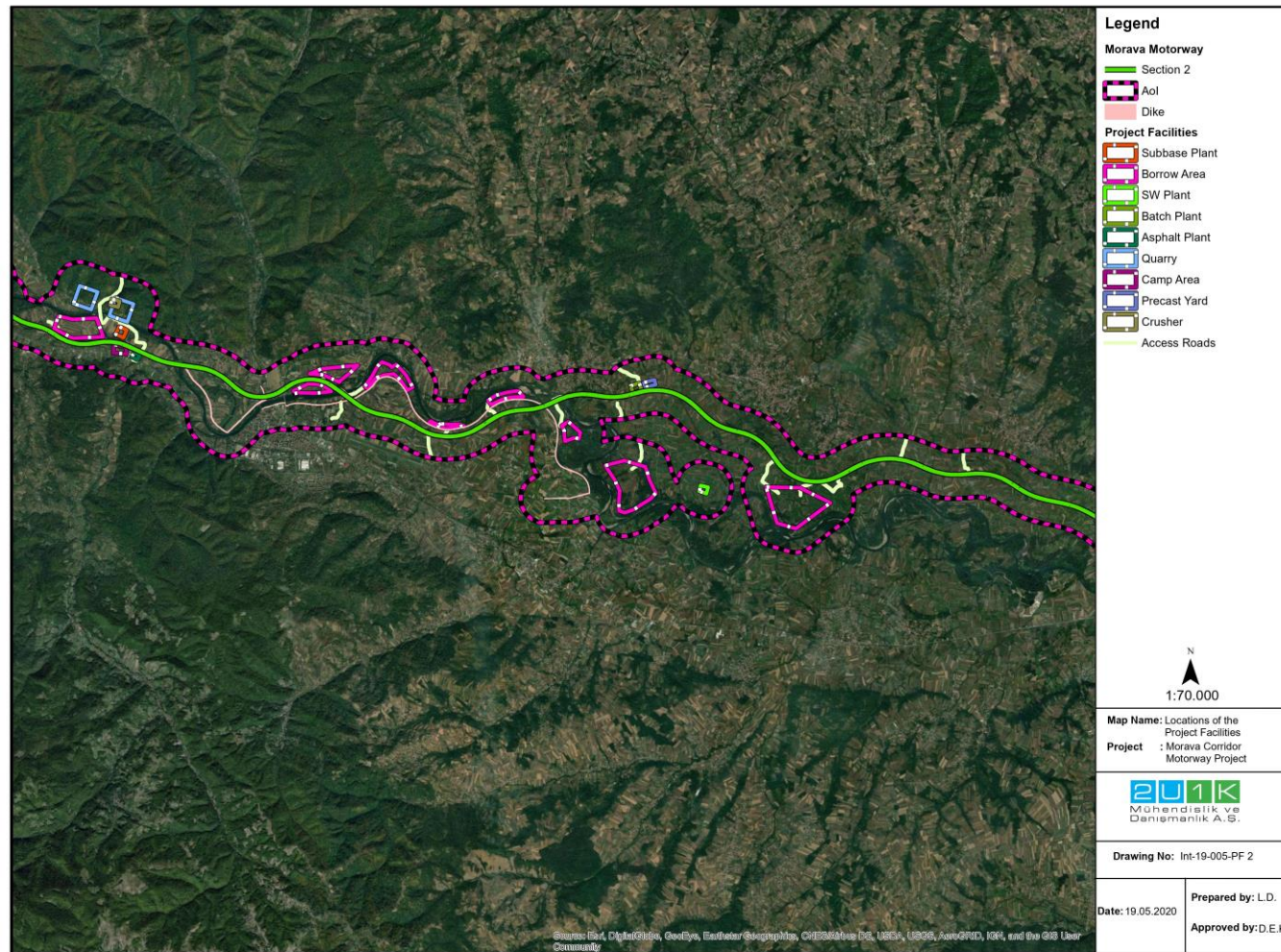


Figure 2-4. Expropriation Route and Location of the Project Facilities for Section 2

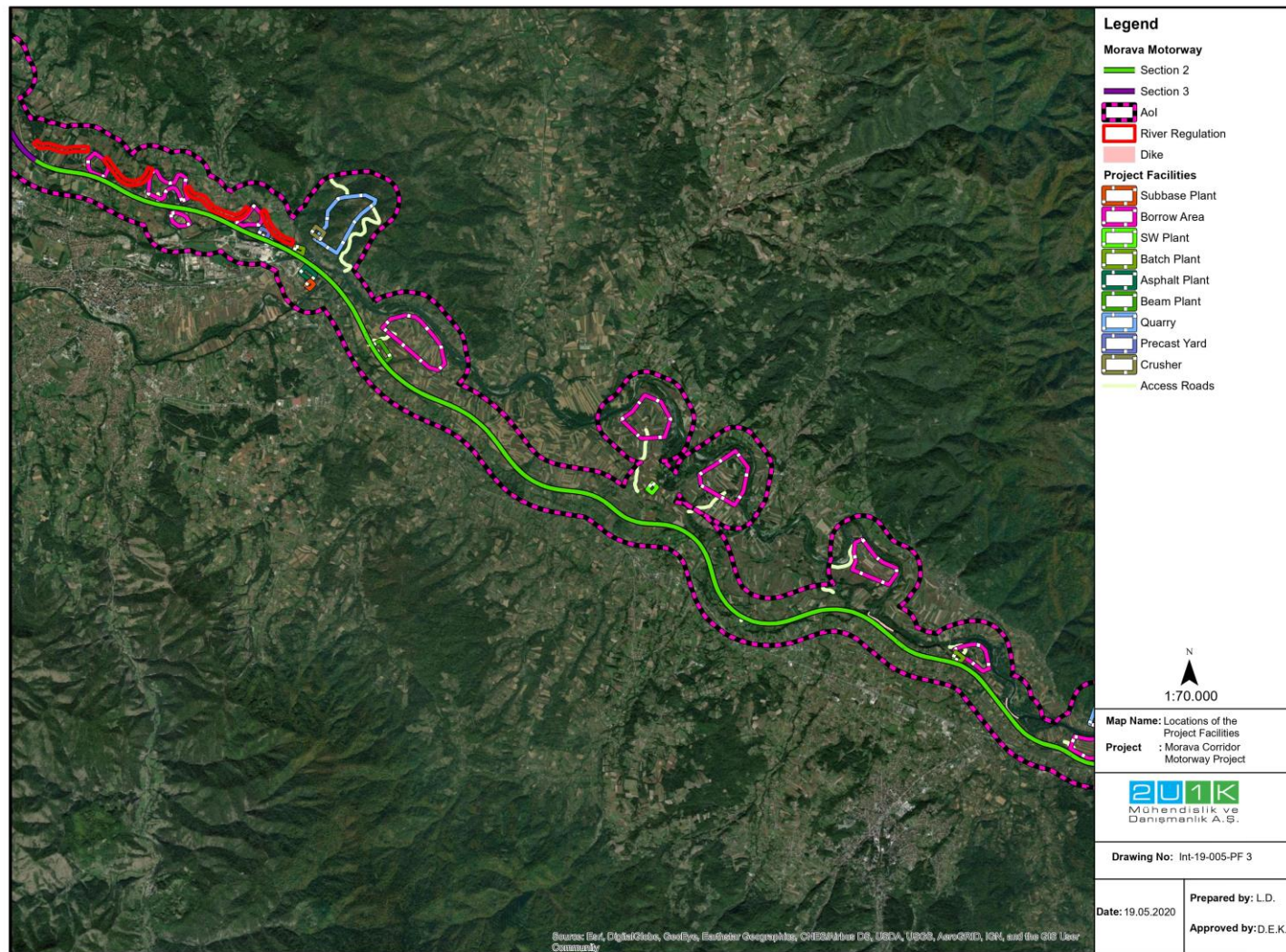


Figure 2-5. Expropriation Route and Location of the Project Facilities for Section 2-a

2.1.4 Section-3

2.1.4.1 Motorway Construction

For the construction of the Motorway in Section-3, at this stage of the Project, it is estimated that 320 ha required permanently. Furthermore, land required area for the temporary usage (access roads, storage areas) will be determined in the further stages of the Project Design.

The expropriation zone of the motorway alignment it passes through the Cacak Municipality. This Section includes 17 Cadastral Municipalities⁶.

2.1.4.2 Project Construction Facilities

The Project construction facilities for the Section-3 will consist batch plant, beam plant, barrow area, precast yard, SW plant and the camp area. Total land required for the construction facilities is estimated at approximately 200 ha at this stage of the Project.

Figure 2-6 presents expropriation route, river regulation and location of the Project facilities for Section-3.

⁶ Cadastral municipality is a subclass of administrative territorial entity and records property ownership in a cadastre, which is a register describing property ownership by boundary lines of the real estate. The land record in Serbia is kept by cadastral municipalities.

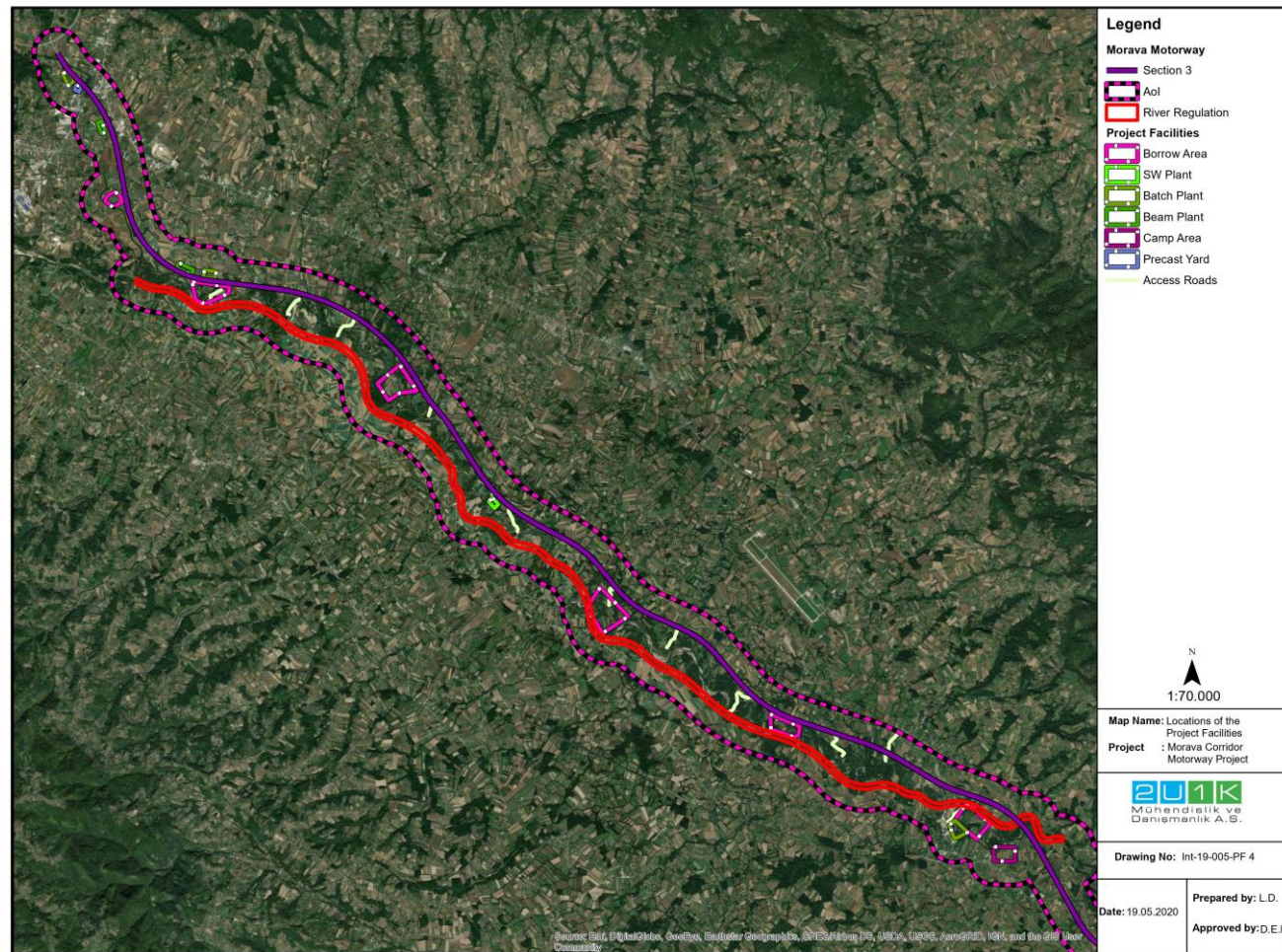


Figure 2-6. Expropriation Route and Location of the Project Facilities for Section 3

3 INSTITUTIONAL AND LEGISLATIVE FRAMEWORK

This Chapter aims to give information on the legal and administrative structure of the Republic of Serbia. Following sub-chapters, provide Project specific national legislative requirements and international requirements and identify the gaps to be covered to meet the more stringent requirements of the two.

3.1 Administrative Structure of Serbia

Serbia is a unitary country with a one tier structure of government. In terms of administrative and territorial division, the country is divided into five regions: Belgrade; Vojvodina; Šumadija and West Serbia; South and East Serbia; and Kosovo and Metohija. The lower administrative and territorial division includes the City of Belgrade, as a special territorial unit, and 29 other administrative districts⁷. Municipalities (usually >10000hab), has an assembly, public service property and a budget. They comprise local communities. Cities (>100000) have an assembly and budget of its own. Municipalities and cities are gathered into larger entities known as districts which are regional centers of state authority. Besides 5 Regions created for statistical purposes, there are also 2 autonomous Provinces, Pokrajine Vojvodina as well as Kosovo and Metohija. Local governments' existence and autonomy are enshrined in the Constitution of Republic of Serbia (2006) and the Law on Local Governments (2007).

The main sub-national governments responsibilities are infrastructure services including urban water supply, sanitation and sewerage, local road maintenance, solid waste management, urban planning and housing as well as transport, heating, kindergartens and preschool education, facilities in the field of sport and culture, public lighting. Competences on primary and secondary education and on social care are shared with the central State level, with staff wages being paid by local governments, and facilities and investment costs being covered by municipal budgets. Other shared responsibilities include management of local airports and social housing centers for the youth (OECD, 2016).

⁷ https://www.unece.org/fileadmin/DAM/hlm/projects/UNDA-9th_tranche/Documents/Serbia/Serbia_Country_Profile_Action_Plan_DRAFT_ENG_final.pdf

3.2 National Legislation

Constitution of Republic of Serbia (Official Gazette of the RS. No. 98/2006)

The Constitution of Republic of Serbia was proclaimed on November 8, 2006. Article 58 of the Constitution guarantees of peaceful tenure of a person's own property and other property rights acquired by law. The Article indicates that right of property may be revoked or restricted only in public interest established by law and with compensation which cannot be less than market value.

Although the Constitution prohibits the payment of a compensation less than the market value, the Constitution also allows the payment over the established market value.

Last, Article 16 of the Constitution states that all general accepted rules of international law and ratified international treaties shall be an integral part of the legal system in the Republic of Serbia and applied directly. This provision allows direct implementation of International Finance Institutions (IFI)'s resettlement policies, provisions of this Framework next to existing Serbian laws, and most importantly a way of legally bridging of the gaps between them.

The Law on Foundations of Property Law Relations (Official Gazette of the SFRY, No. 6/80, 36/90, Official Gazette of the FRY, No. 29/96 and "Official Gazette of the RS", No.115/2005)

The Law provides fundamental provisions of property relations as; ownership rights substance, subjects of ownership rights, co-ownership and joint ownership rights, acquiring the right of ownership, right on yields emanating from owned thing, possession rights, ownership acquired by adverse possession, ownership relations deriving in situations when structures was built on someone else's land, protection of ownership rights, protection of possession, cessation of ownership rights, etc. The Law states that ownership rights and other proprietary rights may only be limited or taken away in public interest and under the conditions defined by the Law.

Law on Planning and Construction (Official Gazette of the RS, No. 72/09 of September 3, 2009, corr. Official Gazette No. 81/09)

This Law administrates the conditions and modalities of spatial planning and development, development and use of construction land and the construction facilities, predominant use of land in case the land has multiple functions, etc. The Spatial Plan of the Project is prepared in accordance with the provisions of this Law. Last, this Law enables the subsequent issuing of a permit for construction, by the Municipal Council.

Law on Non-Contentious Proceedings (*Official Gazette of SRS", No. 25/82 and 48/88, amended Official Gazette of the RS No 46/95, 18/2005, 85/2012, 45/2013, 55/2014, 6/2015 and 106/2015*)

This Law describes the decision making rules of the courts on personal, family, property-related and other rights and legal interests. According to this Law, the court in extra-judicial proceedings determines compensation for an expropriated property after it establishes the important facts and approves a decision which defines the type and amount of compensation. The participants may conclude an agreement about type and amount of compensation, and the court will later determine its decision on their agreement, if the court finds that the agreement is not contrary to mandatory regulations.

Law on State Surveying and Cadastre of Immovable Property (*Official Gazette of the RS" No 72/2009, amended on 18/2010, 65/2013 and 15/2015*)

This Law regulates the matters related to land, buildings and other structures survey, real estate cadastre, records and registration of property, registration of possession, registration of illegal buildings and buildings legalized according to Law on Building Legalization (Official Gazette of the RS ", No. 96/15 dated November 26, 2015). Records of property possessors are kept in the land registry.

3.2.1 Legislation Regarding to Expropriation

Expropriation Law (*Official Gazette RS, No. 53/95 dated December 28, 1995, including changes of 23/01 dated April 6, 2001, 20/09 dated March 19, 2009 and 55/13 dated June 25, 2013 and in 2016 – with the authentic interpretation*)

The Republic of Serbia Expropriation Law guides expropriation and serves as a general framework for expropriation in the Republic of Serbia. The Law also enshrines the principle of compensation at market value.

The Law on Expropriation regulates the conditions and procedure for expropriation of property for construction of facilities in the Public Interest, compensation eligibility and amounts, handling of grievances and disputes and other issues pertaining to the expropriation process.

The most important features of the Law on Expropriation are summarized in the Table 3-1 below.

Table 3-1. Law on Expropriation

Subject	Reference	Details
Temporary facilities	Article 6	The land intended to serve for a certain purpose in connection with construction of buildings may be occupied on a temporary basis for up to three years (temporary occupancy). Temporary occupancy shall be terminated once the purpose for which it was established ceases to exist and the land shall be restored upon that.
	Article 38	A complaint filed against a decision establishing temporary occupancy of land shall not stay the execution of that decision
Partial expropriation	Article 10	If in the expropriation of a part of a real estate it is found that the owner has no economic interest in using the rest of that real estate or that because of it, the owner's livelihood in the rest of has been rendered impossible or substantially aggravated, that part of the real estate shall also be expropriated at the owner's request.
Compensation	Article 11	The compensation for expropriated real estate shall be set in money, unless otherwise provided by this law.
	Article 41	<p>The value of the building the title to which is transferred to one or several parties as compensation and the value of the expropriated building shall be determined in accordance with the market value of such buildings at the time of establishment of the ownership or co-ownership rights.</p> <p>If the real estate is conveyed to the beneficiary of expropriation before the effective date of the expropriation order, the former owner shall have the right to opt for the compensation to be set in accordance with the circumstances existing at the time of conveyance of real estate or at the time when the first-instance decision on compensation was rendered.</p> <p>If different kinds of real estate owned by a single owner are expropriated, the compensation for each individual kind of real estate (land, buildings, devices, etc.) shall be specified in the agreement on the amount of compensation or in the court decision.</p>
Natural Disaster	Article 14	In the areas affected by major natural disasters, expropriation of real estate shall be carried out by a special procedure determined by this Law.
	Article 37	In the areas affected by earthquake, flood, fire, ecological accident or some other major natural disaster, expropriation for the purpose of constructing buildings and executing works conducive to the elimination of consequences of such disaster, shall be carried out in conformity with the provisions stated by this Law.
Agricultural Land	Article 15	<p>The compensation for expropriated arable agricultural land due to a person whose livelihood is conditional on the income from that land shall be set, at his request, by giving him the title to corresponding land of the same crop and class or corresponding value in the same place or nearby.</p> <p>In the case of expropriation of agricultural land for the purpose of constructing line infrastructure facilities, the compensation for such land shall be provided for by transferring to the previous owner some other suitable land of the same culture and class or corresponding value in the same place or in its immediate surroundings. If the expropriation beneficiary is not able to offer some other suitable agricultural land as, compensation shall be provided in money.</p> <p>The compensation due to the former owner of an expropriated building used for livestock rearing and storage and processing of agricultural products, whose livelihood is conditional on the income from such activities, shall be set by giving him the title to another building in which he will be able to carry on his activity at the proposed by himself.</p>
	Article 52	The former owner shall have the right to harvest the crops and pick the fruits on the expropriated land. In cases of great urgency, the authorities competent for the issuance of the expropriation order may allow the beneficiary of expropriation, at the latter's request, to start executing works on the expropriated land before the crops or fruits are ready for harvesting or picking.

Subject	Reference	Details
		If the former owner was unable to harvest the crops or pick the fruits, because the beneficiary of expropriation was allowed to start executing works prior to crop harvesting or fruit picking, the former owner shall have the right to compensation for crops or fruits according to market price, less the cost he would have incurred in connection with harvesting or picking.
Physical displacement	Article 16	At the request of the former owner of a residential building or apartment or business premises, the beneficiary of expropriation shall transfer to him the right of ownership or co-ownership to another residential building or apartment or business premises at the same place or nearby, the structure and area of which correspond to the conditions for dwelling or conduct of business the former owner had prior to expropriation.
	Article 17	If there is a difference in value between the expropriated building and the building the right of ownership or co-ownership to which is transferred as compensation, either the beneficiary of expropriation or the former owner shall pay the difference in price to the other party.
	Article 18	If the former owner is not requesting to be given the right of ownership or co-ownership to another real estate, the beneficiary of expropriation shall pay compensation to him in money, without being bound to provide him with another real estate.
	Article 39	If a residential building, an apartment as part of a building or business premises are being expropriated, the beneficiary of expropriation shall provide the former owner, holder of the right of occupancy or lessee with another apartment or business premises to be owned/co-owned, occupied or leased by them, within six months from the date of moving out from the expropriated building, apartment or business premises.
Public Interest Decision	Article 20	The proposal for the determination of public interest for expropriation should be filed with the Government through the Ministry of Finance. The Government shall render a decision on the proposal for the determination of public interest within 90 days. The Government decision adopting the proposal for determining public interest shall be published in the Službeni glasnik Republike Srbije.
Expropriation Proposal	Article 25	The beneficiary of expropriation may file the proposal for expropriation only after public* interest for expropriation of real estate has been determined. The Republic Public Legal Officer may file the proposal for expropriation on behalf of the Republic of Serbia. The proposal for expropriation may be filed with the authorities of the municipality in the territory of which the real estate proposed to be expropriated is situated, within a year from the date of determination of public* interest for expropriation.
	Article 26	The following shall be indicated in the proposal for expropriation: Name and registered office of the submitter of the proposal for expropriation (the beneficiary of expropriation); Real estate proposed to be expropriated and place where that real estate is situated; Owner of the real estate proposed to be expropriated and his/its address or registered office; 4) Purpose for which the expropriation is proposed.
	Article 28	The beneficiary of expropriation shall file a commercial bank guarantee made out for the amount of dinars necessary for the payment of compensation for the expropriated real estate.
Grievance Mechanism	Article 29	The ministry in charge of finance shall decide on complaints filed against first-instance decisions on proposed expropriation.
Land Entry	Article 32	The beneficiary of expropriation shall file a request for the expropriation to be entered in the land registry or in other public books in which the rights to real estate are entered.

Subject	Reference	Details
		The conveyance of the real estate concerning which the expropriation was entered, as well as the change of relations affecting the real estate (change of holder of the right of occupancy, etc.) that could affect the duties of the beneficiary of expropriation, shall have no legal effect in relation to the beneficiary of expropriation.
	Article 34	The beneficiary of expropriation shall have the right to take possession of the expropriated real estate on the effective date of the decision on compensation or the date of the agreement on compensation for the expropriated real estate, unless otherwise provided
Access to land under special circumstances	Article 35	<p>At the request of the beneficiary of expropriation, the ministry in charge of finance may decide to convey the real estate to the beneficiary of expropriation before the effective date of the decision on compensation or the date of the agreement on compensation for the expropriated real estate, but not before the date of the second-instance decision on the complaint filed against the expropriation order, if it finds that so is necessary because of the urgent need for the building to be constructed or works to be executed.</p> <p>If the real estate was conveyed to the beneficiary of expropriation prior to the effective date of the decision on compensation or conclusion of the agreement on compensation, and the proposal for expropriation gets effectively rejected in further proceedings, the beneficiary of expropriation shall restore the real estate to its owner and pay damages.</p>
Voiding the Expropriation Proposal	Article 36	The beneficiary of expropriation may desist from the proposal for expropriation before the effective date of the expropriation order. An effective expropriation order shall be annulled or amended whenever the beneficiary of expropriation and the former owner file a request for that jointly.
Governmental Land Users	Article 43a	<p>The user of expropriated state or public owned building land shall have the right to compensation as follows:</p> <p>1) In the case of previous owner or some other person who derives the right of use from the previous owner's rights pursuant to Article 84 of the Planning and Construction Law (the market price of land)</p> <p>2) In the case of a person who became the user of state-owned building land before 13 May 2003 pursuant to Article 87 of the Planning and Construction Law (the amount of money spent on the acquisition of that land)</p> <p>The money spent on the acquisition of land shall not mean the money paid for the development and use of building land and the building legalisation costs.</p>
Tenants	Article 54	<p>In the case of a leasing arrangement, the compensation is set in the amount of rent on the market for the nearest similar land.</p> <p>Compensation shall be set as a lump sum for the whole lease period or in periodical payments to be made at equal time intervals. Compensation shall be due as of the day on which the land was handed over to the lessee.</p> <p>If the leasing arrangement is causing actual damage to the owner of land, compensation for such damage shall be payable, too.</p>

3.2.2 Other Applicable Laws

Law on the Establishment of a Public Interest and Special Procedures for the Implementation of the Project for Construction of the Infrastructure Corridor of the E-761 Motorway section Pojate-Preljina

The draft version of Law on the Establishment of a Public Intersection and Special Procedures for the Implementation of the Project for Construction of the Infrastructure Corridor of the E-761 Motorway section Pojate-Preljina was set in the Parliament of Republic of Serbia on 07 June 2019. The Law was adopted in July 2019 and disclosed in the Official Gazette of RS No 49/2019.

The Table 3-2 below presents the related information regarding to this Framework accordingly through Articles of the Law.

Table 3-2. Details on the Law on Establishment of the Project

Article	Details
<u>Article 1</u>	Prescribes the establishment of a public interest for the expropriation of the real estate for the construction of the Pojate-Kruševac-Adrani-Preljina (Čačak) motorway as part of the E-761 corridor, with regulation of the river and the construction of telecommunication infrastructure along the highway corridor, determining the end-user of the expropriation, the method of securing financial means for the realization of the project, the procedure of expropriation, the choice of a strategic partner, the application of international standards for design and expropriation customs procedures and taxes applied when importing equipment and materials, as well as arranging other issues for the purpose of more efficient implementation of this project.
<u>Article 3</u>	Establishes the public interest for the expropriation of real estate land and conversion to the land for the purpose of building the "Morava Corridor" with the accompanying necessary infrastructure.
<u>Article 5</u>	Defines the PE "Roads of Serbia" and "Corridors of Serbia" l.t.d. for expropriation beneficiaries, as well as JVP "Srbijavode" for the expropriation beneficiary for performing works on the regulation of the river Morava.
<u>Article 6</u>	Stipulates that the proposal for expropriation shall be submitted no later than three years from the date of entry into force of this Law.
<u>Article 7</u>	Defines the competent authority that decides on the proposal for expropriation.
<u>Article 8</u>	Prescribes the documentation submitted with the proposal for expropriation.
<u>Article 9 & 10</u>	Defines the person to whom the expropriation fee is paid.
<u>Article 11</u>	Prescribes the actions of the competent authority for expropriation, upon the receipt of the proposal for expropriation.
<u>Article 12</u>	Prescribes the grievance mechanism, as well as an appeal for "silence of the administration".
<u>Article 13</u>	Prescribes the possibility of concluding an agreement.
<u>Article 14</u>	Stipulates that, at the request of the expropriation beneficiary, the ministry responsible for finance may decide to transfer the immovable property to the beneficiary before the decision on the compensation for expropriated immovable property becomes final.

3.3 International Finance Institutions (IFI) Guidelines

The proposed Project is planned to be funded by various financial institutions and the follow International Finance Corporation (IFC) and World Bank (WB) requirements and Standards.

3.3.1 IFC Performance Standards

The Project will align with good international practice, including the IFC Environmental and Social Sustainability Performance Standards (PS) and Guidance Notes of 2012.

The IFC Performance Standards are divided into the following topics;

- **PS 1: Assessment and Management of Environmental and Social Risks and Impacts**
- PS 2: Labour and Working Conditions
- PS 3: Resource Efficiency and Pollution Prevention
- PS 4: Community Health, Safety and Security
- **PS 5: Land Acquisition and Involuntary Resettlement**
- PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- PS 7: Indigenous Personss
- PS 8: Cultural Heritage

Within the scope of the RLRF; PS 1 and PS 5 being the most relevant to this Framework.

Box 3-1. Specific Objectives of the IFC PS 1 Regarding to Land Acquisition and Livelihood Restoration

IFC PS:1 Land Acquisition and Livelihood Restoration
<p>Identify and evaluate environmental and social risks and impacts of the project.</p> <p>Adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize risk & impacts, and, where residual impacts remain, compensate/offset for these risks and impacts to workers, affected communities, and the environment.</p> <p>Promote improved environmental and social performance of clients through the effective use of management systems.</p> <p>Create mechanisms for the responsive management of grievances from affected Persons and communities, as well as external communications from stakeholders.</p> <p>Promote and provide means for adequate engagement with affected stakeholders throughout the project cycle on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated.</p>

IFC PS 5 describes in more detail the expectations regarding the management of physical and economic involuntary displacement resulting from a given project's activities. Physical displacement is the relocation of Persons from their residences, and economic displacement is the removal of Persons's non-residential assets or access to assets that leads to loss of income or other means of livelihood. Displacement is characterized as involuntary where the entity acquiring the land or other assets can resort to government authority to expropriate the land or impose limits on the use of land and other assets. The term involuntary does not relate to whether Persons are happy with the resettlement processes ultimately developed by a Project.

PS 5 is designed to guide a project in the restoration of displaced persons' quality of life to at least pre-project levels, and if possible, to improve their quality of life. PS 5 establishes eligibility criteria by defining displaced persons as those;

- that have formal legal rights to the land they occupy.
- who do not have formal legal rights to land, but have traditional claims to land or other assets that is recognized or recognizable under the national laws.
- who have no recognizable legal right or claim to the land they occupy such as recently arrived economic migrants who occupy land prior to the project conducting a census and establishing a cut-off date.

Box 3-2. Specific Objectives of the IFC PS 5 Regarding to Land Acquisition and Livelihood Restoration

IFC PS:5 Land Acquisition and Livelihood Restoration
<p>Avoid, and when avoidance is not possible, minimize displacement by exploring alternative project designs.</p> <p>Avoid forced eviction.</p> <p>Anticipate and avoid, or where avoidance is not possible, minimize adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement value and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.</p> <p>Improve, or restore, the livelihoods and standards of living of displaced persons.</p> <p>Improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites</p>

Along with the PSs, the IFC produces manuals and guidelines that provide deeper analysis of best practice on key subjects. Of particular relevance to this Project is the IFC's 2007 Manual Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets and World Bank's Involuntary Resettlement Sourcebook: Planning and Implementation in Development Projects and IFC's Handbook for Preparing a Resettlement Action Plan.

3.3.2 World Bank Environmental Social Standard 5 (Land Acquisition, Restrictions on Land Use and Involuntary Resettlement)

Environmental Social Standard (ESS) 5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both. The term “involuntary resettlement” refers to these impacts. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement.

Box 3-3. Specific Objectives of the World Bank ESS 5 Regarding to Land Acquisition and Livelihood Restoration

World Bank ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
<p>Avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives,</p> <p>Avoid forced eviction,</p> <p>Mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by:</p> <ul style="list-style-type: none"> • providing timely compensation for loss of assets at replacement cost⁶ and • assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. <p>Improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.</p> <p>Conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant.</p> <p>Ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.</p>

3.4 Gaps between Serbian Legislation and International Requirements

Although Serbian legal framework is mostly compatible with potential Lender’s requirements, there are certain gaps that have been identified in order for the Project to comply with the policy and agreed standard that are most beneficial for the Project Affected Persons (PAPs). The Table 3-3 below presents the national requirements and current activities and IFC requirements on the land acquisition process, respectively.

Table 3-3. Gap assessment between Serbian Legislation and IFC Standard

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
Avoidance or minimization of involuntary displacement	The Law on Planning and Construction requires several iterations in disclosure of planned development activities and feedback from affected communities	Invest in avoidance and minimization of physical and economic displacement at all stages of project design, starting with site selection.	Where feasible, involuntary resettlement and land acquisition should be avoided or minimized by exploring all viable alternatives. Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share the project benefits. Displaced persons' should be meaningfully consulted and have opportunities to participate in planning and implementing resettlement programs.	CIP ⁸ as the responsible party for preparation of the Spatial Plan has complied with the avoidance and minimization principle. Ministry of Construction, Transportation and Infrastructure (MCTI) as the responsible party to implement the Spatial Plan.
Additional assistance to PAPs after physical and/or economic resettlement livelihood restoration	The Law on Expropriation (article 50) requires that indicators on vulnerability of households and individuals are applied during determination of the compensation (e.g. land dependent households providing the sole source of livelihood, health and economic vulnerabilities, work disability as a result of physical or mental impairment, single parents (both mother and father) heads of	When displacement cannot be avoided, the client will offer displaced communities and persons compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods according to IFC PS 5.	CoS assists throughout the resettlement process and continually monitors PAPs readjustment after physical and/or economic resettlement based on a reasonable estimate of the time likely to be needed to restore their livelihood and standard of living. Displaced persons and vulnerable individuals and groups affected by the Project will receive compensation for costs of relocation and any additional costs regarding	CoS provides additional assistance to PAPs after physical and/or economic resettlement livelihood restoration. Land acquisition which has taken place in the past and has not taken into consideration additional assistance shall be reviewed on a case-by-case basis and additional assistance paid prior to taking possession and accessing the land.

⁸ Institute of Transportation CIP Ltd, Belgrade is a company registered with the Serbian Business Registers Agency mainly for works for Engineering services and technical consulting. CIP is responsible party for preparation of EIA Reports for Section-1 and Section-2 and the Spatial Plan.

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	agricultural households if the household is relying on the livelihood stemming from the land.		relocation for the purpose of livelihood restoration and bridging the transitional period after resettlement or by virtue of vulnerability. The site-specific RAP shall include measures and design of adequate support and assistance commensurate to the impact, as a way to bridge the gap.	
Preparation and implementation of Resettlement activities	No resettlement instruments are required to be developed under the national law.	Preparation Resettlement Action Plan <ul style="list-style-type: none"> • The census of people affected by the Project • Registering the affected population • Preparation of inventory of affected assets • Socio-economic studies 	In addition to national requirements, Resettlement Action Plan, Census Survey and Socio-economic impact assessments should be prepared. The census of PAPs and assets is conducted in preparation of the land acquisition process. The below are the key activities; 1) Census of Project affected persons based on information provided through the Spatial Plan and Design for Expropriation. 2) The census is verified through Cadastral data and discrepancies and additional impacts are recorded 3) In situ verification, for each affected land plot and asset. 4) Land acquisition – administrative process 5) Final verification of census through site visits conducted by accredited valuation expert	CoS as accepted good practice follows these steps and applies and coordinates all resettlement activities.

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
Vulnerable groups	<p>The Law on Expropriation encourages compensation for expropriated property to be determined in a higher amount than the market price, taking into account financial and other personal and family situation of the previous owner, if those conditions essential for its existence (the number of household members, number of household members who are capable of earning, or who are employed, the health status of household members, monthly household income, etc.)</p> <p>In case of physical displacement, security of tenure is not granted to homeless PAPs or vulnerable groups. While the Project does not resort to forced eviction, temporary rental (max 6 months) and moving expenses is provided to those that have no means for resettlement.</p> <p>The Law on free and accessible legal aid provides for legal assistance in cases of land acquisition at municipal level.</p>	Special attention must be given to vulnerable groups. They are entitled to additional compensation, legal assistance during resettlement and help during physical relocation. As well, these Project Affected Persons are given a priority of employment.	National legislation has scattered provisions amongst a number of different laws (e.g. Social protection Law, Law on free legal aid, etc) but not through an integrated set of legal rules. Help during physical relocation or priority of employment are not articulated. However, in practice these activities are extended. The gap will be bridged by providing legal and resettlement assistance as well as priority of employment as appropriate and assessed during the social impact assessment	<p>CoS to provide assistance (See Sector -7) prior to construction phase</p> <p>The Contractor shall in best endeavor prepare an Employment Plan prioritizing employment opportunity for persons affected by land acquisition and resettlement including vulnerable.</p>
Public consultations	According to Expropriation Law, prior to the submission of the expropriation proposal, the Expropriation Beneficiary is	Meaningful consultations with affected persons and communities, local authorities, and, as appropriate, nongovernmental	According to Corridors of Serbia, only the titleholders are sent invitation letter for proposal for acquisition of land; informal users	Pre-resettlement: CIP to disclose Spatial Plan,

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	required to publish a public announcement and invite all property owners for purposes of attempting a negotiated settlement (Art. 27).	organizations need to be carried out. All resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected.	<p>learn from official titleholders and join land acquisition meetings and claim compensation. There is no official information disclosure to the land users. However, they are come to the Municipality to be informed about their rights.</p> <p>The Corridors of Serbia should disclose and consult publicly on this document and every other individual resettlement instrument.</p> <p>All PAP's (including formal/informal) and stakeholders will be informed and consulted during the planning phase and during all the implementation phases of the Project to bridge the gaps, ensuring that PS 5 requirements are fully met.</p>	<p>Resettlement: Related Municipalities to disclose affected parcels and conduct individual meetings.</p> <p>Before Construction: CoS to disclose RLRf</p> <p>CoS will disclose the cutoff date in public announcement to the relevant Municipalities.</p> <p>Tax Administration assess the market value of agricultural and/or construction lands</p> <p>During construction phase, the Contractor to compensate or mitigate damages to; immovable assets and disruption to livelihood including agricultural lands, crops, trees, village roads, caused by construction activities.</p>
Compensation principles	According to Expropriation Law, the cut-off date for eligibility is the date of submission of the proposal for expropriation by the expropriation beneficiary to the relevant municipality.	The cut-off date is the date when the social census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.	Census and assets inventory should be prepared. The cut-off date for being eligible for compensation will be 10 days from the Public Participation Meeting of this Framework for each affected Municipality. This will be publicly announced and published by the Beneficiary of Expropriation in local newspapers, informing all owners and users of the initiation of the expropriation process, the cut-off date and the contact persons who may be contacted by PAPs for further information. The cut-off date will also be publicly disclosed, on notice boards in local communities	

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
			and municipalities and at consultation meetings, with an accompanying explanation. The public announcement will also be posted, as necessary, on frequently visited locations throughout the affected areas.	
	Budget for compensation (land, assets, additional assistance) needs to be secured as a condition precedent to commence with expropriation. (article 28 Law on Expropriation). In exceptional cases, due to project urgency and its exposure to high risks and damages, the justification of which is assessed on a case by-case basis by the Ministry of Finance the beneficiary of expropriation, may require to access the land before the compensation agreement has become legally binding. However, such request will be endorsed only after evidence has been secured and inventory of assets agreed between the PAPs and the beneficiary, of importance to determine the amount of compensation to be set aside within the budget. This option is not invoked in cases of physical displacement.	The compensation should be provided before construction work start and before taking possession of the assets	Taking possession over the affected property is possible only once the compensation is paid or a court case initiated, or formal grievance registered, and compensation amount set aside on an escrow or account alike	

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	(Article 35, Law on Expropriation).			
Entitlement Matrix	<p>The Law on Expropriation refers to those affected by land acquisition as - owners. Other applicable laws recognize that owners are persons who have made investments into certain assets including creation of. Pursuant to this principle in the course of the expropriation informal/factual title holders are identified and compensated. The Law on Fundamentals of Property Relations entitles any persons who has made investments into land to receive compensation of costs of structures and installations in terms of made investment the assessed value of materials used, crops, woods, trees, fruit bearing trees, vineyards, the age of crops and the time needed to reproduce them.</p> <p>Only squatters are not recognized to be eligible for benefits and compensation under the law.</p>	<p>IFC entitles all persons that are affected by the Project to compensation and assistance, including possessors that have no recognizable rights over the property they are occupying.</p> <p>IFC's resettlement policies maintains same approach for all affected persons, protecting all persons that are suffering loss of property, actual or economic displacement and decline of livelihood due to Project implementation regardless of their legal title on the property they are using.</p>	<p>The absence of legal title to land or assets is not considered as an ineligibility to receive compensation.</p> <p>Entitlement eligibility is determined based on statements of actual users of land or assets, ownership documents not registered in official records, based on witness statements, based on statements of formal owners and various other acceptable evidence to the benefit to the person claiming entitlements and of relevance for determination of entitlements. This process is expropriation specific.</p>	<p>Cos will be responsible to extend the entitlements from the adopted matrix and will cover all PAPs for compensation in line with adopted practices as described in the preceding column.</p>

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	<p>For the resettlement of formal owners of immovable property except agricultural land;</p> <p>Option 1: Cash compensation at market value +Moving costs</p> <p>Option 2: Relocation - Appropriate replacement at owner request offered; other land in the vicinity equal in quality, cultivation, class and value</p>	<p>For the resettlement of formal owners of immovable property except agricultural land;</p> <p>Option 1: Cash compensation Cash compensation at replacement cost.</p> <p>Option 2: Resettlement - Replacement property of equal or higher value and similar productivity + Moving and transitional allowance + Administrative fees</p> <p>For losses that cannot be easily valued or compensated for in monetary terms, in-kind compensation may be appropriate.</p>	<p>Option 1: Cash compensation - If replacement costs are higher than market value, IFI requirements shall prevail</p> <p>Option 2: Replacement property - will be possible only if legal terms are met, as defined by Law of Expropriation. Transitional and moving costs shall be covered, IFI requirements shall prevail</p>	CoS will implement entitlement matrix to cover all PAPs for compensation.
	For the acquisition of agricultural land: appropriate replacement land offered; other land in the vicinity equal in quality, cultivation, class and value+ moving allowance.	For the acquisition of agricultural land: Resettlement – Replacement property of equal or higher value and similar productivity + Moving and transitional allowance + Administrative fees	Resettlement - Replacement property of equal or higher value and similar productivity + Moving and transitional allowance + Administrative fees.	<p>CoS will implement entitlement matrix to cover all PAPs for compensation.</p> <p>When applicable, CoS will coordinate efforts with Ministry of Agriculture to find and offer corresponding public owned agricultural land.</p>
	For the resettlement of informal owners of buildings: replacement cost for construction of similar quality construction with additional moving cash compensation at replacement cost for construction of similar quality construction with additional	For the resettlement of informal owners of buildings: the Project Affected Persons is entitled to cash compensation at replacement cost for construction of similar quality construction with additional moving and transitional allowances. Also, the value of time invested in construction	<p>The Serbian legislation only recognizes formal ownership and persons without formal right however, have recognizable legal right or claim over the building.</p> <p>The informal owners of buildings shall receive cash compensation PAP is entitled to cash compensation at replacement cost</p>	CoS will implement entitlement matrix to cover all PAPs for compensation.

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	moving. Also, the value of time invested in construction		for construction of similar quality construction with additional moving and transitional allowances. Also, the value of time invested in construction	
	For resettlement of the tenant of agricultural land: the Project Affected Person is entitled to cash compensation for any improvements made on the land, such as irrigation, drainage, perennial crops, objects, woods, trees, fruit bearing trees, vineyards, crops and the time needed to reproduce them etc.	For resettlement of the tenant of agricultural land: the Project Affected Person is entitled to cash compensation for any improvements made on the land i.e. Irrigation, drainage, perennial crops, objects etc. at replacement cost, provision of lease to corresponding public owned property for an equivalent period of time, and support after displacement for a transition period to restore livelihood.	Serbian legislation does not provide for transitional allowance nor replacement land for lease, if land was leased from state. Support shall be offered to bridge the gap based on reasonable estimate of the time likely to be needed to restore livelihood, corresponding public owned property will be offered.	CoS will implement entitlement matrix to cover all PAPs for compensation.
	For annual crops (owner or tenant): the Project Affected Person is entitled to harvest the crops or value at market price of that type of crops or fruits decreased by cost of harvest.	For annual crops (owner or tenant): the Project Affected Person is entitled to compensation for lost crops at full replacement cost, including all not harvested crops.	IFC requirements shall prevail if more beneficial to Project Affected Person. If replacement cost is less than market value, it shall be topped up by the difference.	CoS will implement entitlement matrix to cover all PAPs for compensation.

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	<p>For business property:</p> <p>Option 1: Cash compensation at market value and Moving costs</p> <p>Option 2: Relocation - Appropriate replacement at owner request offered - other property in the vicinity equal in quality, size and value.</p>	<p>For business property:</p> <p>Option 1. Cash compensation at replacement cost, loss of income and moving allowance</p> <p>Option 2. Alternative property with adequate tenure arrangements, full relocation cost, including the inventory, and the replacement cost for any investment, transitional allowance, appropriate level of support for skill upgrading training if necessary, to restore livelihood.</p>	<p>Serbian legislation does not envisage transitional allowance or skill upgrading training. Gap will be bridged by payment of transitional allowance and design of skill upgrading program, to be determined during social surveys</p>	<p>CoS will implement entitlement matrix to cover all PAPs for compensation.</p>
	<p>For loss of benefits and income for workers and employees article 50</p>	<p>For loss of benefits and income for workers and employees: targeted assistance (for example, credit facilities, training or job opportunities) and opportunities to restore, and where possible improve, income-earning capacity, production levels and standards of living</p>	<p>Serbian legislation do not envisage support for loss of benefits and income for workers and employees. The Project shall include measures and design adequate support and assistance commensurate to the impact, as a way to bridge the gap.</p>	<p>CoS will implement entitlement matrix to cover all PAPs for compensation.</p>
	<p>For loss of community held resources and public amenities:</p> <p>No reference</p>	<p>For loss of community held resources and public amenities:</p> <p>Assistance should be provided that will offset any loss of a community's commonly held resources.</p> <p>Identification of institutions tasked with setting up and maintaining specific public amenities and consult local communities on how to replace them.</p>	<p>National legislation do not envisage support for loss of community held resources or public amenities. The Resettlement Action Plan shall include measures and design adequate support and assistance commensurate to the impact, as a way to bridge the gap.</p> <p>The lost and/or damaged of public amenities must adhere to the like for like or better principle.</p>	<p>CoS will implement entitlement matrix to cover all PAPs for compensation.</p>

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
Assistance to involuntary displaced persons	According to the Expropriation law, the former owners are not entitled to any further assistance or compensation during and after relocation, other than the replacement cost. The owners do not get any support for re-establishing their assets (no fast track administration procedure for permits, licenses or utility connections). Also, the tax and administration fees are not included in the compensation and depreciation of property value (amortization, except for land) is included in the assessment of compensation.	<p>It is necessary to provide assistance during relocation, particular attention is to be paid to the needs of poor and vulnerable individuals and groups.</p> <p>The resettlement plan or policy will include measures to ensure that the displaced persons are</p> <p>(i) offered support after displacement for a transitional period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standard of living; and,</p> <p>(ii) Provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training or job opportunities.</p> <p>Transitional in-kind assistance (food aid, health support, health insurance as the case may be)</p>	<p>Project Affected Persons will receive compensation for costs of relocation and any additional costs regarding relocation for the purpose of livelihood restoration and bridging the transitional period after resettlement or by virtue of vulnerability.</p> <p>Serbian legislation does not require support after displacement nor development assistance in addition to compensation measures.</p> <p>Resettlement Action Plan and Livelihood Restoration Plan should include measures and design adequate support and assistance commensurate to the impact, as a way to bridge the gap.</p>	<p>In addition to compensation of the displacement, CoS to provide;</p> <ul style="list-style-type: none"> • Moving costs, • Legal fees, • Transitional allowance • Any additional support to vulnerable Persons.
Grievance Mechanism	The Expropriation Law foresees the rights of affected citizens to appeal at many stages of the expropriation procedure, beginning with administrative and judicial appeals (i.e. against the decision on public interest (Art. 18), the decision on expropriation (Art. 31) and regarding compensation (Art. 70).	Accessible and appropriate grievance mechanism must be enabled for Project Affected Persons and local communities at the whole period of project implementation.	Accessible and appropriate grievance mechanism must be enabled for Project Affected Persons and local communities at the whole period of project implementation.	

Topic	National Law	IFC Requirements	Gaps and Actions to bridge the gaps	Responsible Party
	In case of a non-agreement on the compensation amount determined by the Tax administration services, expropriation moves to court. The payment for the court case is not held by the Corridors of Serbia. Only reasonable court fees can be paid by the CoS.			
Monitoring and Evaluation	No particular legal provision	<p>Credit beneficiary is responsible for appropriate monitoring of the activities, which were defined in the in this framework.</p> <p>Monitoring of the resettlement and livelihood restoration process will be carried out in accordance with IFC PS 5 and should involve the participation of key stakeholders such as affected communities.</p>	This Framework describes the monitoring process for the Project's resettlement activities, furthermore, the monitoring process should be in line with the IFC PSs.	<p>CoS to monitor and evaluate resettlement process.</p> <p>The Contractor to monitor Grievance Mechanism and provide technical assistance to activities that are noncompliance according to IFI Standards.</p>

4 PUBLIC CONSULTATION AND DISCLOSURE

The Project Employer will establish an ongoing relationship with the affected communities from as early as possible in the project planning process and maintain it throughout the life of the Project.

4.1 Public Consultation and Disclosure of the Project Spatial Plan

The Spatial Plan includes information on the purpose of the Project, location, potential impacts, overview of the project and its construction facilities and further potential developments aligned with this Project. Public Disclosure for the Draft Spatial Plan was held for 30 days from July 18th to August 16th of 2019. The Disclosure was held in the city halls of Kraljevo, Kruševac and Čačak, and the municipalities of Varvarin, Vrnjačka Banja, Trstenik and Čičevac, as well as on the MCTI website. The announcement of the Public Disclosure was published in the Daily newspaper “Kurir” on 18th July 2019.

The Commission⁹ was established to conduct Public Disclosure process of the Draft Spatial Plan by the Decision of the Minister of Construction, Transport and Infrastructure to monitor and organize the Public Disclosure process. Upon completion of the Public Disclosure, the Commission held a public session on August 26, 2019 with the representatives of the Commission, local governmental bodies and the public.

On September 2, 2019 the Commission organized a private session to assess the feedbacks received on the last meeting conducted on August 26, 2019. As a result, the feedback of the stakeholder was implemented in the revision of the second Draft Spatial Plan. The Public Disclosure for the Spatial Plan was held from November 04 to November 18, 2019 in Kraljevo and Kruševac and Vrnjacka Banja and Trstenik well as on the website of the Ministry of Construction, Transport and Infrastructure (<http://www.mgsi.gov.rs>) and the web pages of local self-government units. On November 29, 2019 the Public Disclosure was held with approximately 50 participants and representatives from CIP, Roads of Serbia and Municipality of Vrnjacka Banja. Majority of the complaints were regarding the expropriation and potential flooding after the construction of the Project. These concerns were addressed by the relevant experts during the meeting and final version of the Spatial Plan is currently being processed.

⁹ The commission consists; Đorđe Milić (as the President of the Commission), M.Sc. Spatial Planner. Also the Members of the Commission included Miroslav Marić (M.Sc. Spatial Planner), Maja Krga (B.Sc. Spatial Planner), Dragan Jemuović (B.Sc. Mech. Eng.), Dubravka Pavlović (B.Sc. Spatial Planner), Ivana Stefanović (B.Sc. Spatial Planner) and Aleksandra Đumić (B.Sc. Spatial Planner)

4.2 Individual Consultations

The individual consultations with the lands owners affected by the expropriation in Section – 1 was conducted by the affected municipalities with the supervision of CoS. The bullets below presents the outline of the consultations.

- PAPs are informed about the land acquisition through national newspaper;
- PAPs are informed about the land acquisition through local newspaper
- Each individual receives information letter on the land acquisition.
- Each PAP was explained directly regarding the expropriation process which took 15 minutes for each individual. After the explanation of the size of the land and the compensation value PAPs can either sign the agreement letter and non-agreement letter or can take the documents and state his/her final decision later. Compensation for the PAPs takes 3-30 days.
- When the PAPs signs non-agreement letter, Municipality starts court process on behalf of the PAPs.

4.3 Consultation and Disclosure of the Resettlement and Livelihood Restoration Framework

Consultation and disclosure of the framework is planned to be realized in three stages. Table 4-1 below presents the stages to be followed in detail.

Table 4-1. Stages for the Consultation and Disclosure of Framework

Stage	Details
Submission of the draft framework with the lenders, incorporation of the lenders comments	After disclosure of the framework with the above-mentioned stakeholders comments will be incorporated to the document and it will be shared with the Independent Environmental and Social Consultant and the lenders for their review;
Disclosure of the final draft version of the framework through website and PPMs	<p>The final draft framework will be disclosed with the public through different tools as follows;</p> <p>PPM: It will be announced through local newspaper and media and on the internet portal of the CoS 14 days before the meeting. It is recommended to have 7 PPMs and provide travel assistance to the villagers to the meeting venue.</p> <p>Distribution of the informative brochures: The Non-Technical Summary of the Framework including the grievance mechanism will be distributed during the PPM, in addition, this brochures will be distributed in the affected villages.</p> <p>Website: The final draft version of the document will be disclosed through the website of the Municipalities and CoS and stakeholders will be informed about the disclosure through phone calls and e-mail.</p> <p>Individual meetings: Individual meetings with PAPs regarding specific cases. These meetings can also be organized when needed upon request by PAPs.</p>
Disclosure of the final version of the document according to the comments of the PAPs	Comments of relevant stakeholders will be incorporated to the draft document to finalize this RLRF. Final RLRF will be disclosed through the website of the Lenders, related Municipalities, and the hard copies of the framework will be distributed to the affected villages in Serbian language.

5 IMPACTS OF LAND ACQUISITION

5.1 Efforts to minimize displacement

Efforts to minimize displacement have been implemented during the Spatial Planning process. Before the disclosure of the Draft Spatial Plan, consultation meetings were held between the Project parties and CIP (the institution responsible for Spatial Planning). Furthermore, the Project alignment in Section-2 within the borders of the Trstenik Municipality has been changed to prevent physical displacement on August 2019. An alignment change was made to reduce the impact of the physical displacement and the map for the new alignment is presented in the Figure 5-1 below.

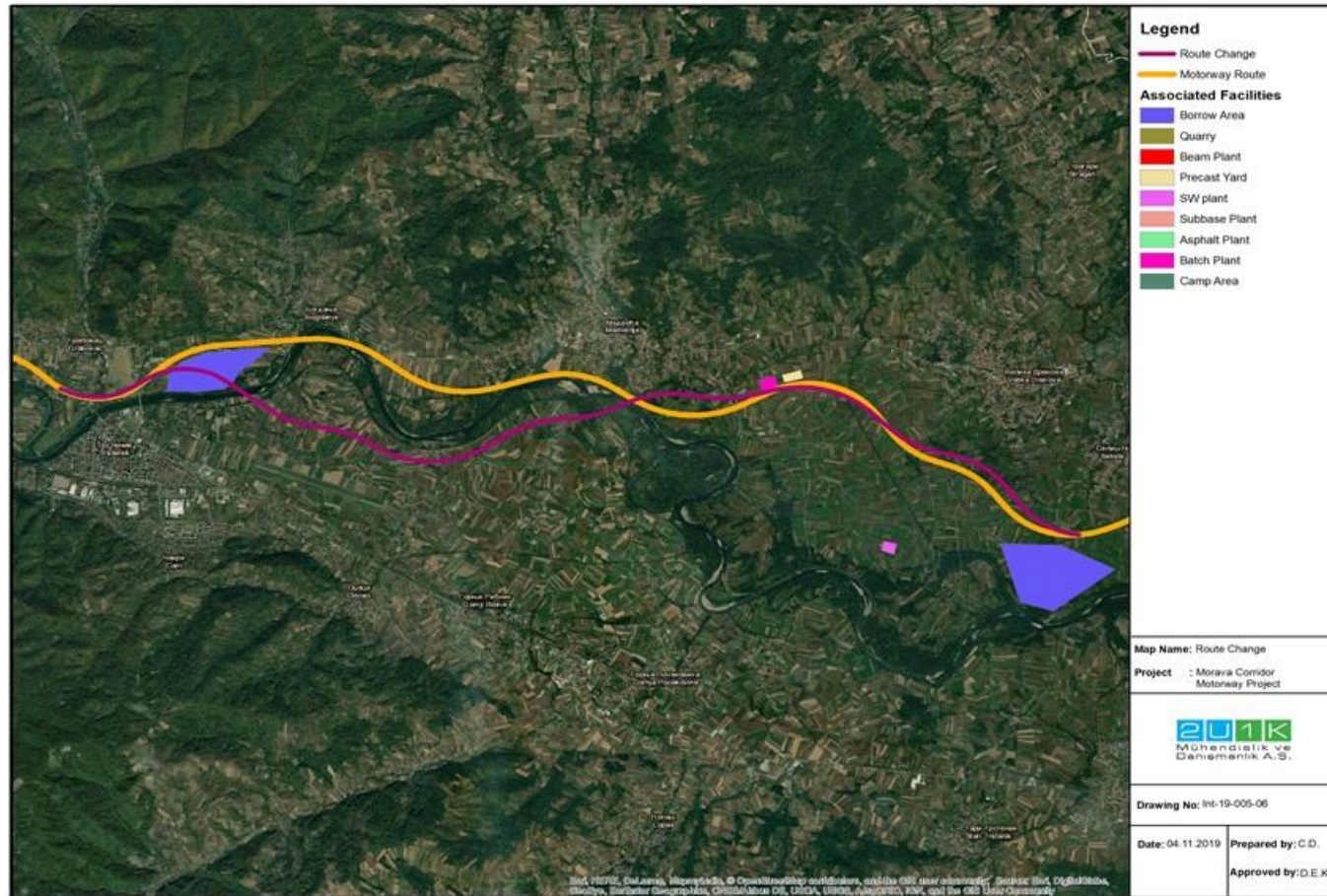


Figure 5-1. Alignment Change to Minimize Physical Displacement

Further efforts to reduce the impacts of the land acquisition was implemented during the disclosure of the draft Spatial Plan. From 18th of July to 16th of August 2019, Public Participation Meeting (PPM) were conducted for the disclosure of the Draft Spatial Plan, in the city halls of Kraljevo, Kruševac and Čačak, and the municipalities of Varvarin, Vrnjačka Banja, Trstenik and Čičevac, as well as on the MCTI website. After the disclosure, PAPs submitted their comments on the Plan and second PPM was conducted to go over the submitted comments with the complainants. Total of 77 suggestions raised by the PAPs. The partially accepted and fully accepted design change suggestions raised from the PAPs during the Spatial Plan disclosure is summarized in the Table 5-1 below.

Table 5-1. Partially and Fully Accepted Design Change Suggestions of PAPs

Municipality	Request	Acceptance
CICEVAC	1. Connection from Petrol station to the Project	Partially accepted
	2. Protection of arable lands	Partially accepted
KRUŠEVAC	3. Adjustment the bypass around Kruševac	Fully Accepted
	4. Protection of Church of St. Roman	Fully Accepted
	5. Protection of main sewerage line from Bela Voda to the West Morava	Fully Accepted
TRSTENIK	6. Bridge requirement between Selište and Stopanje	Partially accepted.
	7. Connection to Velika Drenova loop.	Partially accepted
	8. Adoption of an adequate solution for the electricity and water hoses route under the highway	Partially accepted
VRNJAČKA BANJA	9. Update the Draft Spatial Plan to not divide land plots	Fully Accepted
	10. The planned overpass directly threatens the life in Vrnjačka Banja	Partially accepted
	11. The planned overpass directly threatens the life in Vrnjačka Banja	Partially accepted
	12. Expropriation of the remaining part of the land	Partially accepted
	13. Height of the underpass should allow trucks to continue business	Partially accepted
	14. Objection to demolition of the house.	Fully Accepted
	15. Request for expropriation of the house in addition to the land	Partially accepted
	16. Lagalization of the untitled houses in the protection zone	Partially accepted
	17. Request for the expropriation of the entire lands since it wont be suitable for agricultural production after the Project (air, noise)	Partially accepted
KRALJEVO	18. Bridge requirement in Sirča village	Partially accepted
ČAČAK	19. Request for constructing "Mrčajevci" loop.	Partially accepted
	20. Connection requirement from airport "Morava", connection to old road Čačak-Kraljevo, needs of emergency medical service and firefighting units	Partially accepted
	21. Request for expropriation of the entire land	Partially accepted
	22. Protection of irrigation pipes	Partially accepted.
	23. Request for expropriation of the entire land	Partially accepted
	24. Divided land plots, location of the bridges, request from the government authorities to define and elaborate also disrupting the functionality of	Partially accepted

Municipality	Request	Acceptance
	the agricultural region of the CM Zablaće. compensate the financial damage for unnecessarily lost working time, payment of credits for agricultural machines who became landless, compensation for the lost wells, requirement of further info on construction of the new riverbed.	
	25. Request for “Vrba” loop is to connect the corridor with the road Kraljevo-Kragujevac:	Partially accepted

Draft version of the Spatial Plan will be revised to implement suggestions given above and submitted for another round of public participation, within the time frames prescribed by the Law on Planning and Construction and the regulations adopted on the basis of this law.

5.2 Displacement impacts and avoidance measures

The Project will avoid the acquisition of lands or land use rights that result in any physical or economic displacement where applicable. If the land acquisition and displacement is unavoidable, the Project will apply the mitigation measures to minimize the impacts resulted by displacement. The impacts will be resulted from the economic and physical displacements are summarized in the Table 5-2 below.

Table 5-2. Potential Economic and Physical Displacement caused by land acquisition

Project Impacts in Preconstruction Phase Under the Responsibility of CoS	Project Impacts in Construction Phase Under the Responsibility of Contractor
<ul style="list-style-type: none"> • Economic Displacement of PAP's livelihoods • Loss of Annual Crops • Loss of Plants and Trees • Loss of Wood mass • Loss of Forest • Loss of Buildings Used for Livestock • Loss of Immovable Assets • Negative impacts on agricultural workers • Loss of business structures • Loss of structures used for living premises (no physical resettlement is needed but used for leased as a source of income) • Demolition of buildings • Displacement of structures used for agricultural and livestock activities • Loss of unviable buildings • Loss of state owned buildings • Loss of public utility and community health resources • Impact caused by temporary occupancy • Impacts on vulnerable groups • Impacts on cultural heritage • Changes in community dynamics and social network 	<ul style="list-style-type: none"> • Access to agricultural lands • Access to ecosystem services (river, forest, hunting areas) • Impact on local businesses • Additional land requirement due to alignment change • Unplanned Damages to agricultural lands • Unplanned Damages to Crops, trees During Construction • Loss of livelihoods due to noise and dust • Loss of livelihoods due to access to the agricultural lands during the construction • Unauthorized entry to private lands • Access to the Natural sources • Access to agricultural lands • Access to ecosystem services (river, forest, hunting areas)

6 COMPENSATION FRAMEWORK

This Section sets the principles to be applied to land acquisition during the Project lifecycle.

6.1 Eligibility Policy

Once the Project design is finalized for all Sections and specific sites identified, a census of the affected persons will be undertaken including;

- The census of people affected by the Project
- Registering the affected population
- Preparation of inventory of affected assets
- Socio-economic studies

Based on the census, the status of the affected persons will be established. The Republic of Serbia will provide compensation to all affected Persons eligible for compensation, based on nature or category of their losses, including physical assets or income affected within a set and communicated cut-off-date.

As a matter of principle, the Law on expropriation requires that for linear infrastructure projects such as Highways replacement land compensation option is given as priority. However, such compensation shall be agreed between the PAPs and the Beneficiary of expropriation i.e. KS subject to request of PAPs.

The adequacy and availability of such land shall be assessed on a case to case basis and will depend on the use of land prior to expropriation and whether the land was a primary source of income to the affected PAPs and its household. Details of the Assessment process shall be provided in the RAP and will rely on determination of comparable indicators such as quality of land, accessibility, yielding potential, proximity to essential facilities, position, etc...

For the purpose of identifying informal users of land and for verifying ownership or other rights by those who cannot prove formal title, a site survey will be conducted to supplement the inventory of PAPs land and assets and the households socio-economic survey.

The following persons are entitled for expropriation compensation, if present in the Project area prior to cut-off date:

- PAPs who are formal owners or lessees, or legal users under the provisions of RS law, or unregistered¹⁰ owners and informal users¹¹ of privately or publicly owned affected agricultural or construction land, or part of the land;
- PAPs who are owners and informal users, of the affected crops, and are affected by the Project;
- PAPs who are owners and informal users, of the perennial plants and trees such as fruit bearing trees and vineyards, and are affected by the Project;
- PAPs who are owners and informal users, of affected vineyards and orchards that have not given yield yet, and are affected by the Project;
- PAPs who are owners and informal users, of the nursery which has not yield yet, and are affected by the Project;
- PAPs who are owners of the affected non-agricultural business on the whole plot or a part of it, and are affected by the Project;
- Cultural and historical structures that may be affected by the Project activities,
- Workers, agricultural possessors and farmers on the affected property, whose incomes and livelihoods are temporarily under the impact of the Project;
- PAPs whom may be experience loss or damage to access infrastructure;
- Communities or households whose access to their buildings and usual resources are affected by the Project;
- PAPs who are formal owners, or lessees, or legal users under the provision of RS law, or unregistered owners and informal users, and who are affected by the Project because of the temporarily occupation of the their land;
- PAPs who reside in the buildings that would be affected by operational noise to the extent that applicable noise standards cannot be achieved even after implementing mitigation measures covered in the ESIA Report¹²;
- PAPs whose access to their land or buildings substantially altered by the construction activities;
- Vulnerable groups, persons below the poverty line in accordance with national laws, women led households, single parents, elderly, disabled persons or those with long-term health problems) which are affected by the Project;

¹⁰ Owners with recognizable legal right or claim

¹¹ Persons who have established usage of public or private land and have invested in immovable objects, crops, woods, trees, fruit bearing trees, vineyards.

¹² For locations determined sensitive for operational noise; noise monitoring process will be adopted to assess whether noise limits are inline with the committed international standards. In addition to noise monitoring processes, grievances regarding the noise will be recorded in the Grievance Mechanism and necessary mitigation measures will be adopted, as appropriate.

- PAPs who are formal or informal owners (building constructed without building permit on one's own land plot, or someone else's or state-owned plot) or lessees of the building (residential, commercial, industrial, institutional, auxiliary, etc.), or persons with occupancy rights on flats in expropriated residential building or apartment, or a part of the building that is affected by the Project, or informal users of public buildings; and,
- PAP's whose losses cannot be determined or foreseen at this stage of the Project.

6.2 Cut-off Date

The cut-off date is a moratorium date. Persons encroaching into the Project area after the Cut-off date are not eligible for compensation or for any other mode of resettlement assistance. Also, any investments in fixed assets (such as structures, crops, fruit, trees, woodlots, etc.) as result of activities commencing after the Cut-off date will not be eligible for compensation. This cut-off date policy will not include persons who became owners after the cut-off date by court decision of a property existing prior to cut-off date. The date counters opportunistic claims from those moving into the Project area solely in anticipation of benefits. In order to manage food security related issues, the farmers within the Project footprint should be advised to stop planting perennial crops after the cut-off date while waiting for their compensation

In order to determine the eligibility of PAPs for resettlement compensation and assistance, a census¹³ (See Annex 6 for a sample of a Census Form) of all persons and inventory of all assets shall be produced, as soon as the construction facilities are identified, to enumerate all likely impacts and, if possible, support by video and photo material.

The cut-off date for being eligible for compensation will be 10 days from the Public Participation Meeting of this Framework for each affected Municipality. Information about the cut-off date shall be published in local newspapers, informing all owners and users of the initiation of the expropriation process. The cut-off date shall also be publicly disclosed on notice boards in local communities and relevant municipalities and at consultation meetings, with an accompanying explanation. The public announcement will also be posted, as necessary, on frequently visited locations throughout the affected areas.

To manage food security related issues, farmers within the Project footprint should be advised to stop planting perennial crops after the cut-off date while waiting for their compensation. Farmers who have planted seasonal food crops would be given sufficient notice period to remove all their crops and all other unexhausted improvement from the land before demolition to commence construction activities. This provision should be made to ensure affected households are given salvage rights in line with IFC Standards

¹³ Including; the census of people affected by the Project, registering the affected population, preparation of inventory of affected assets and socio-economic studies.

6.3 Entitlement

The ownership status of the Project area are private and government characterized as urban and rural. In order to ensure all categories of project affected Persons are compensated, an entitlement matrix needs to be implemented to cover compensation needs based on land type and land use for each Section of the Project. The entitlement matrix is defined as follows :

Table 6-1. Entitlement Matrix¹⁴

Type Of Loss	Person With Rights	Compensation Policy
A – ECONOMIC DISPLACEMENT		
LAND		
Agricultural land regardless the severity of loss (whether partial or complete loss of land)	Owner with formal title	Replacement land of equal or higher value and similar productivity in direct proximity or in the surroundings of the expropriated land together with all costs of resettlement and administrative fees needed for transfer of ownership rights, if any. Or Cash compensation at replacement costs: market price of property + market price for improvements + labour and time to install improvements at market price + moving costs + transitional allowance + registration, administrative and tax fees.
	Lessee with valid documents of the right of lease	Compensation for all improvements made to the land (such as irrigation). Compensation will be paid at replacement cost: market price for improvements + labour and time to install improvements at market price + transitional allowance+ costs of equipment relocation and installation, if any. and Replacement land for lease, if land was leased from state, if possible
	PAPs without formal title (in possession of land prior to cut-off date)	Compensation for all improvements on land (such as irrigation). Compensation will be paid at replacement cost: market price for improvements + labour and time to install improvements at market price + costs of equipment relocation and installation, if any + transitional allowance and Replacement land for lease from state, if possible
Construction land regardless to severity of loss (whether partial or complete loss)	Owner with formal title or legal users of publicly/state owned construction land	Cash compensation at replacement costs: market price of property + market price for improvements (such as infrastructure) + labour and time to install improvements at market price + moving costs + registration of ownership, administrative and tax fees, if any + transitional allowance or; At property owner demand, if legal terms are met the PAPs, replacement land of equal or higher value and similar traits, in direct proximity or in the surroundings of the expropriated land + market price for improvements (such as infrastructure) + labour and time to install improvements at

¹⁴ This entitlement matrix is based on the previous Motorway construction Project implemented by CoS and it has to be detailed and updated after census, during the preparation of RAPs specific to each Section.

Type Of Loss	Person With Rights	Compensation Policy
		market price + moving costs + registration of ownership, administrative and tax fees, if any + transitional allowance
	Lessee with valid documents of the right of lease	Compensation: market price for improvements (such as infrastructure) + labour and time to install improvements at market price + moving costs + registration of ownership, administrative and tax fees, if any + transitional allowance + compensation for all rent paid in advance, for the period not expired And Replacement land for lease, if land was leased from state, if possible
	PAPs without formal title (in possession of land prior to cut-off date)	Compensation: market price for improvements (such as infrastructure) + labour and time to install improvements at market price + moving costs + registration of ownership, administrative and tax fees, if any + transitional allowance And Replacement land for lease, from state, if possible
Unviable land, agricultural or construction (In case the remaining area of land is not viable, it can be expropriated upon PAPs request)	Property owners, lessee or users regardless of their formal title or rights on private or publicly/state owned agricultural or construction land	Compensation according to type of property, defined the same way as above, in this section
PLANTS AND STRUCTURES ON AGRICULTURAL LAND (but not physical relocation)		
Loss of annual crops, that could not have been harvested prior to land repossession	Owners of crops (it is not of importance if the owner of crops is owner of land, or lessee, or informal owner/user of land providing that they bore costs of planting crops or acquired ownership in some other, recognizable way)	Advance notice with adequate timing should be given for farmers to harvest or remove standing crops/trees / vineyards etc prior to land clearance. Cash compensation at replacement cost: market value of expropriated crops decreased by costs of harvesting crops
Loss of perennial plants and trees (fruit bearing trees, vineyards and fruit bearing plants)	Owners of plants (it is not of importance if the owner of plants is owner of land, or lessee, or informal owner/user of land providing that they bore costs of planting or acquired ownership in some other, recognizable way)	Advance notice with adequate timing should be given for farmers to harvest or remove standing crops/trees/ vineyards etc. prior to land clearance. The right to harvest fruits and Cash compensation at replacement cost: market price of seedlings on the basis of type, sort and productive value + the net loss for the time needed to grow such plants according to year production market value + costs of investment (labour force, soil preparation etc.) to plant a new vineyard, orchard or similar + transitional allowance
Affected vineyards and orchards not yet fruit bearing		Advance notice with adequate timing should be given for farmers to harvest or remove standing crops/trees/ vineyards etc prior to land clearance. Cash compensation at replacement cost: market price of seedlings on the basis of type, sort and productive value + the net loss for the time needed to grow such plants according to year production market value + costs of investment (labour force, soil preparation etc.) to plant a new vineyard, orchard or similar + transitional allowance

Type Of Loss	Person With Rights	Compensation Policy
Wood mass (mature or nearly mature)		Cash compensation at replacement cost: market price of wood determined based on the value of the “wood on the stump” + transitional allowance
Forests without mature wood mass		Cash compensation at replacement cost: investment needed for planting a new forest (labour, seedlings) + net loss for the time needed to reproduce a replacement forest + transitional allowance
Nursery not yet yielding		Advance notice with adequate timing should be given for farmers to harvest or remove standing crops/trees/vineyards etc. prior to land clearance. Cash compensation at replacement cost: investment in planting material (seedlings, labour and other reproductive material) + net loss for the time needed to grow same nursery + transitional allowance
Buildings used for keeping and raising livestock (sheds, stables, etc.)	Owners of structures used for keeping livestock (it is not of importance if the owner of structures is owner of land, or lessee, or informal owner/user of land providing that they bore costs of construction or acquired ownership in some other, recognizable way)	Cash compensation at replacement costs; market price of the structure + + moving costs + administrative fees needed for transfer of ownership rights, if any + transitional allowance At property owner demand, if legal terms are met, appropriate replacement property + moving costs + administrative fees needed for transfer of ownership rights, if any + transitional allowance
All immovable improvements on land (such as irrigation).	Owners of improvements (it is not of importance if the owner is an owner of land, or lessee, or informal owner/user of land providing that they bore costs of improvements)	Cash compensation at replacement costs: market price for improvements + labor and time to install improvements at market price
Impact on agricultural employees, or processors	Workers, employees	In case of temporary disturbance of income source compensation on a one-time basis will be paid commensurate net income loss
		In case of permanent income disturbance transitional allowance on one-time basis will be paid to assessed on reasonable time needed to restore livelihood means + Training for alternative jobs if possible + Priority in employment on the Project, if possible and on a case by case basis (In accordance with social assessment processed in RAPs)
BUSINESS (but not agriculture)		
Business structures (shops, office buildings) etc.	Owners with formal title (including those that have a claim to structure that is recognized or recognizable under national laws)	Cash compensation at replacement costs: Structure at market price + Costs of equipment and inventory relocation and re-installation and moving costs + administrative fees needed for transfer of ownership rights, if any + Transitional allowance or; At property owner demand, if legal terms are met, replacement property of equal or higher value and similar feature, in direct proximity or in the surroundings of the expropriated building + Costs of equipment and inventory

Type Of Loss	Person With Rights	Compensation Policy
		relocation and re-installation and moving costs + administrative fees needed for transfer of ownership rights, if any + Transitional allowance
	Lessee with valid documents of the right of lease who uses premises according to rent agreement	Cash compensation at replacement costs: Compensation for all improvements on premises (such as reconstruction, refurbishment etc.) calculated at replacement cost (material + labour + other costs needed to make same improvements elsewhere, if any) + Costs of equipment and inventory relocation and re-installation and moving costs + administrative fees needed for transfer of ownership rights, if any + Transitional allowance And; Replacement premises for lease, if premises were leased from state, if possible
	Owners without formal title (building constructed without building permit on one's own plot of land, or on somebody else's land - usually state owned)	Cash compensation at replacement costs: Structure at market price + Costs of equipment and inventory relocation and re-installation and moving costs + administrative fees needed for transfer of ownership rights, if any + Transitional allowance And; Replacement premises to be leased from state, if possible
Loss of non-agricultural businesses	Owner of business including owners of unregistered, but legal businesses	Moving costs + Transitional allowance + Any registration taxes or fees + Appropriate level of support for improving the skills if necessary to perform restoration of income source and livelihood.
Living premises (houses, flats) but where owner doesn't live in, so no physical resettlement is needed, but are used for lease as source of livelihood	Owner of property, (including those that have a claim to property that is recognized or recognizable under national laws, and including informal owners - building constructed without building permit	Cash compensation at replacement costs: Structure at market price + Moving allowance + Transitional allowance for loss of income for a reasonable time needed to restore income and livelihood Allowance for lost income in kind (with regards to lease)
B - PHYSICAL RESETTLEMENT		
Buildings (residential, houses, flats etc.)	Owner of property (including those that have a claim to property that is recognized or recognizable under national laws, and including informal owners - building constructed without building permit)	Cash compensation at replacement costs; market price of the structure + + moving costs + administrative fees needed for transfer of ownership rights, if any + transitional allowance (the minimum being 3 months average wage at country level) or; At property owner demand, if legal terms are met, replacement property of equal or higher value, + moving costs + administrative fees needed for transfer of ownership rights, if any + transitional allowance (the minimum being 3 months average wage at country level)
	Lessee of the affected property	Moving costs + administrative fees needed, if any + transitional allowance (the minimum being 3 months average wage at country level)
	Lessee or person with occupancy right to state owned flat	Provide lease or occupancy rights of same kind of another equivalent, social or state owned property in the vicinity. If equivalent state or socially owned flat is not available in the vicinity, PAP will be offered state or social owned flat more remote from the area of expropriated flat + moving costs + administrative fees needed for transfer of ownership rights,

Type Of Loss	Person With Rights	Compensation Policy
		if any + transitional allowance (the minimum being 3 months average wage at country level)
Structures used for agricultural and livestock purposes (including barns, storage, etc.)	All affected without regard to legal status of asset ownership	The replacement cost for any investment made, and the value of time invested in construction, without depreciation. Salvage materials will be provided to affected Persons. Allowance in kind to replace structures used for agriculture and livestock purposes. In case of a demand, salvage materials should also be offered to PAPs who are losing other buildings (i.e. houses).
Unviable buildings	Owner of property (including those that have a claim to property that is recognized or recognizable under national laws, and including informal owners - building constructed without building permit)	In case that the remaining building is not viable or under a physical impediment for physical use can be expropriated upon owner's request. Compensation is provided in the way as prescribed for that type of building in accordance with this matrix.
C – OTHER RESETTLEMENT SITUATIONS		
Private, publicly or state owned buildings (i.e. schools, public utility buildings, etc.)	Communities or households	Moving allowance + Transitional allowance And; help in locating replacement property - similar state owned property for off- market lease in the vicinity
Loss of access to usual resources, amenities, community held resources and buildings	Communities or households	Renewing public ownership or services (roads, buildings of public interest or similar). Restoring access to conveniences or services to previous levels.
Impacts caused by temporary or partial occupancy of land and any damages to the property made during temporary occupancy	Property owner (including those that have a claim to land that is recognized or recognizable under national laws)	Market price of lease for duration of the occupancy + Replacement cost value in accordance with this matrix for affected crops, orchards, nurseries etc. + Compensation for any damages to the property evaluated at replacement cost And; The land must be returned to original condition. Improved quality of the land due to top soiling work should not be removed, except if agreed upon differently with owner.
	PAPs without formal title (in possession of land prior to cut-off date)	Compensation for all improvements on land (such as irrigation). Compensation will be paid at replacement cost: market price for improvements + labour and time to install improvements at market price + costs of equipment relocation and installation, if any + transitional allowance + Replacement cost in accordance with this matrix for affected crops, orchards, nurseries etc. And Replacement land for lease from state, if possible.
Impact on vulnerable groups	Vulnerable persons, belonging to vulnerable groups, with social status that may lead to more adverse effect by resettlement than others or who may be limited in their ability to claim or take advantage of	On top of all rights defined in this matrix, vulnerable PAPs will be provided additional assistance including legal assistance (i.e. verbal explanation of their legal rights for illiterate groups, transportation assistance to handicapped or elder groups for legal paperwork process) and help during physical relocation. Any additional support required for any affected vulnerable households will be determined on case-to-case basis during socio-economic survey. These PAPs are given priority of employment on the project if that is possible.

Type Of Loss	Person With Rights	Compensation Policy
	resettlement assistance and related develop	
Undetermined impact	Any person affected by impact	Any undetermined impact will be mitigated in accordance with principles and aims of this Framework.

7 TRANSITION SUPPORT TO VULNERABLE GROUPS

Vulnerable groups refers to Persons who, by virtue of; gender identity, sexual orientation, religion, ethnicity, indigenous status, age, disability, economic disadvantage or social status. They can be affected by project impacts differently than others and may be limited in their ability to claim or take advantage of project benefits. Therefore, CoS (with assistance of relevant Municipalities, when needed), shall apply provisions for assisting disadvantaged or vulnerable individuals that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood assistance and related development benefits as defined in this Framework. It is important to note that, vulnerable Persons affected by the land acquisition will identified during the census survey within the scope of Resettlement Action Plan (RAP) preparation. Table 7-1 below presents a framework to support vulnerable individuals that may be affected by the land acquisition.

Table 7-1. Framework to support vulnerable individuals that may be affected by the land acquisition.

Vulnerable Category	Support Methodology
Elderly (aged over 65)	<ul style="list-style-type: none"> • Travel assistance • Assistance on acknowledging and signing official documents • Access to legal resources with an assistance in case of a need (i.e. transportation) • Assistance to access compensation payments • Assistance to clear and store materials from their land.
PAPs with size of a land less than 3 ha	<ul style="list-style-type: none"> • Assistance to find alternative land • Temporary livelihood assistance when required, • Job assistance • Replanting assistance
Disabled	<ul style="list-style-type: none"> • Travel assistance • Assistance to obtain personal documents • Assistance to access compensation payments • Access to legal resources with an assistance in case of a need (i.e. transportation) • Assistance to clear and store materials from their land.
Low income¹⁵	<ul style="list-style-type: none"> • Priority for job opportunity during the construction phase of the Project • Access to legal resources with an assistance in case of a need (i.e. transportation) • Assistance to access compensation payments • Travel assistance
Informal structures	<ul style="list-style-type: none"> • Moving allowances
Women headed households	<ul style="list-style-type: none"> • equal employment opportunities for women;
Single parents households	<ul style="list-style-type: none"> • Where physical relocation is necessary, provide temporary housing • Temporary livelihood assistance when required, • Priority for job opportunity • Job assistance
Homeless	<ul style="list-style-type: none"> • Temporary livelihood assistance when required, • Priority for job opportunity • Job assistance
Seasonal Workers	<ul style="list-style-type: none"> • Temporary livelihood assistance • Priority for job opportunity • Job assistance

¹⁵ According to Statistical Office of Republic of Serbia **poverty threshold** amounts to 15 600 dinars a month on an average for a single person household. For a household with two adults and one child aged below 14, the threshold is 28 080 dinars per a month, while for a four-member household with two adults and two children aged below 14, it amounts to 32 760 dinars.

8 MANAGEMENT OF GRIEVANCES

8.1 Types of Grievances

A Project level grievance mechanism (GM) will be established and administered by the CoS effective and operational throughout the Project lifecycle. The GM shall serve as both Project level information center and grievance mechanism, available to those affected by implementation of all Project sub-components and be applicable to all Project activities and relevant to all local communities affected by project activities. The GM shall be responsible for receiving and responding to grievances and comments of the following four groups:

- A person/legal entity directly affected by the project, potential beneficiaries of the Project,
- A person/legal entity directly affected by the project through land acquisition and resettlement,
- Project Affected People, and
- Residents/communities interested in and/or affected by project activities.

Pre-construction impacts can result from the route alignment, site selection of the project construction facilities and the land acquisition process. Table 8-1 below presents samples of potential grievances.

Table 8-1. Possible Pre-Construction Grievances

Possible Pre-construction Grievances	
Route alignment	Land Acquisition Process
<ul style="list-style-type: none"> • Access to the Motorway; • Protection of the agricultural lands; • Requirement of under and over passes; • Linkage between the local businesses and the Motorway; • Insufficient information disclosure about the route change; • Connection between service roads and Motorway; • Consideration seasonal streams; • Consideration of sewage systems; • Bridge requirement; • Division of plots; 	<ul style="list-style-type: none"> • Valuation; • Delay on the compensation; • Compensation approach.

Table 8-2 summarizes potential grievances that may result from construction activities.

Table 8-2. Possible Construction Grievances

Types of potential grievances during the construction phase
<ul style="list-style-type: none"> • Inadequate consultation before the construction, • Damages to agricultural lands, • Crops, tress, villages' roads and community structures due to heavy vehicles, • Loss of livelihoods due to noise and dust, • Loss of livelihoods due to access to the agricultural lands during the construction; and • Unauthorized entry to private lands.

The management of the grievances caused by construction phase will be under the responsibility of the Contractor. The grievance mechanism will be announced to all stakeholders during the public participation meetings explaining the roles and responsibilities of the Contractor and CoS.

The purpose of the Grievance Management system is foremost to give access to a problem-solving procedure applicable throughout the Project lifecycle.

A structured Grievance Management system will be established to ensure that grievances associated with the Project are addressed through a transparent and impartial process. Stakeholders will be able to share their opinions and grievances via a range of options such as letters, e-mail, grievance boxes and face to face meetings during all phases of the Project.

8.2 Grievance Management

The overall Project grievances will be acknowledged by Community Relations and Sustainability Department (CSRSD) and Human Resources Specialist (HRS) assigned by the Contractor and the Employer through centralized system in order for all parties to have access to all grievances related to the Project. In terms of land acquisition process, mainly for the implementation of the grievance mechanism, the Employer will be the main responsible party with the assistance of CSRSD, in the cases where needed (See Annex 4 for Stakeholder Consultation Form and Annex 5 for Stakeholder Consultation Log).

The timeframe for the provision of response or for further consideration will mainly depend on the complexity of issue raised, however, ideally it expected to not exceed 14¹⁶ days after receiving the grievance.

In case PAPs submit a compensation related grievance or resort to judicial processes the land will not be accessed and taken possession of before the compensation funds in the undisputed amount are made available through deposits into an escrow or account alike in line with national law.

¹⁶ The overall Project grievances will be acknowledged by the designated Project functions assigned by the Contractor and the Employer through centralized system in order for all parties to have access to all grievances related to the Project. In terms of land acquisition process, mainly for the implementation of the grievance mechanism, the Employer will be the main responsible party with the assistance of the assigned Project functions, in the cases where needed (See Annex 4 for Stakeholder Consultation Form and Annex 5 for Stakeholder Consultation Log).

- Step – 1 Receipt of Grievances

Complaints may be filed by using various means of communication such as, but not only :

- sending letters or e-mails,
- calling on a provided phone number,
- at respective municipalities
- at Project site by using a Grievance Form.

Address: KORIDORI SRBIJE d.o.o. Beograd, Kralja Petra 21,

Telephone: +381 11 3344174,

E—mail: office@koridorisrbije.rs (subject field: To the attention of the Grievance Committee).

- Step – 2 Acknowledgement and Record Keeping

All incoming grievances will be reflected in a Grievance Log to assign an individual reference number in a daily basis and inform the complainant about the reference number assigned to his/her complaint, either on the date of filing (if, for instance, a complaint is delivered personally or over the telephone) or within seven days of receipt (if, for instance, a complaint is sent by ordinary or electronic mail).

The Grievance Log will also be used to track the status of a grievance, analyses the frequency of complaints arising, typical sources and causes of complaints, as well as to identify prevailing topics and any recurrent trends.

The Grievance Log shall include at least the main following information:

- Grievance reference number,
- Date of the grievance,
- Complainant's contact details
- Content of the grievance,
- Dates when the investigation of the grievances initiated and completed, with a mention of the parties in charge,
- Results of the investigation,
- Information on the proposed corrective actions
- Indication on whether the corrective action was satisfactory or a reason for non-resolution of the grievance,
- The result of the close-out.

After the registration of the grievance to the log, significance of the grievance will be assessed within five to seven days.

- Step – 3 Investigation

The grievance will be classified and forwarded to the responsible Project departments within the 10-14 days. Grievance is acknowledged through a personal meeting, phone call, grievance boxes or letter as appropriate, within a target of 14 working days after submission (except the complaints that require immediate attention). If the grievance is not well understood or if additional information is required, clarification will be sought from the complainant during this step.

The investigation step aims at:

- Making the necessary investigations and establishing the underlying causes of the grievance;
- Proposing a possible response/solution including any corrective measures; and,
- Providing proposals to eliminate the underlying causes of the grievance/concern or mitigating their impact.

- Step – 4 Response to Complainant

Each complaint is considered within 30 days of receipt and the reply is communicated using the address/telephone number specified by the complainant.

Once the investigations are complete and the proposed resolution determined, the Project should then provide an official response to complainants and the grievance will be formally closed. The function responsible for receiving grievances should always provide a response to the grievances/concerns received even if, at the end of the checks, it has come to the conclusion that they are unfounded. In these situations, the response should explain the circumstances and give reasons why the Project cannot be considered involved.

For the anonymous complaints, resolution will be disclosed on the Project's website.

- Step – 5 Discussion of Resolution

If a complainant is not satisfied with the proposed resolution, further negotiations can take place until the matter of the complaint is resolved and the case is closed. If negotiations between the Project parties and the complainant do not achieve a satisfactory result leading to the closure of the complaint, then the grievance is escalated to higher levels to be defined in the course of the Project's procedures setting.

- Resource to Legal System

The parties may take the dispute to court at any point during the process. Resorting to the Project's amicable grievance resolution does not prevent the complainant to resort to Justice at any stage in the process.

- Step – 6 Closure and Reporting

Only once the complainant has agreed to the proposed resolution, and this resolution has been implemented to the complainant's satisfaction can the grievance be registered as closed in the Complaint Register Form (See Annex 3).

9 PREPARATION OF INDIVIDUAL RESETTLEMENT ACTION PLAN

Considering the Project's extent of the impact in terms of land acquisition and resettlement, site specific the Resettlement Action Plan (RAP)¹⁷ should be prepared. The objective of the RAP shall be to specify what procedures to follow and what actions to take to properly acquire land and compensate PAPs. Any site specific RAP shall be based on up-to-date and reliable information about the proposed displacement and its impacts on the displaced persons and other adversely affected groups, and the legal issues involved in resettlement.

This entire process, from the bidding phase to the completion and implementation of the RAPs, should last up to 5 months. The RAPs to be developed and executed will define any required measures to be applied retrospectively for those PAPs that have already been subject to land acquisition operation. This shall include a definition of auditing measures that will be undertaken in the future to verify that any additional measures that have been applied retrospectively have led to outcomes that meet the Applicable Standards.

The RAP, and its Grievance Mechanism, shall cover both resettlement and livelihood restoration activities that align with the requirements of this RLRF and Applicable Standards.

The following items should be included in the scope of RAP, but not limited to;

- Description and identification of the Project Area and Area of Influence,
- Description of the Project activities that will result resettlement,
- Project alternatives,
- Mechanisms to minimize resettlement, when possible, during the implementation of the Project,
- Overview of the previous stakeholder engagement;
- Eligibility and Entitlement Matrix Framework;
- Socio-economic studies that include:
 - Census survey
 - Characteristics of the displaced households and businesses
 - Baseline information on livelihoods and living conditions of the displaced Persons,
 - Identification and information on vulnerable group

¹⁷ The World Bank requires a resettlement plan or abbreviated resettlement plan (for minor impacts or fewer than 200 Persons displaced) for all operations that entail involuntary resettlement (Source: https://www.google.com/url?q=https://www.inspectionpanel.org/sites/www.inspectionpanel.org/files/publications/Final_Version_Involuntary%2520Resettlement_05_17_2016.pdf&sa=D&source=hangouts&ust=1573042225193000&usg=AFQjCNHmWONxOTq12bMfQmxpleNOXg7lvq)

- Magnitude of the expected loss, whether it is total or partial, of assets, and the extent of displacement, physical and/or economic.
- Legal Framework and Gap Assessment between national legislation and IFI's resettlement policies, measures to bridge such gaps, if any.
- Institutional framework, institutional responsibility for implementation, eligibility, valuation of and compensation for losses and the methodology to be used in the valuation of the losses,
- Grievance Mechanism,
- Detailed budget and its breakdown,
- Monitoring and Evaluation
- Implementation Schedule

The RAP will be submitted to the appropriate IFI for review and approval. It is important to note that, no activities on construction works can commence until and unless compensation has been paid, or appropriate budget set aside on an escrow account or account alike, or replacement property administered to PAPs, or court procedure initiated to determine the compensation in case no amicable settlement is reached subject to approval by the Ministry of Finance.

Implementation of RAP is an obligation of the Project Employer. The Project Employer shall monitor overall implementation, collaborate with the municipalities in whose territory the works are taking place, collaborate with contractors and disclose information to PAPs and communities.

9.1 Objectives of the Resettlement Action Plan

The main objectives of the RAP are to:

- mitigate adverse social and economic impacts of expropriation and temporary or permanent losses by providing compensation for losses of property on the basis of replacement costs and ensure implementation of the activities of displacement with appropriate data disclosure, consultations and participation of the PAPs,
- re-establish or even improve sources of income and living standards of resettled persons to the level before Project impact.

As stated above, the RAP shall include socio-economic baseline assessment and census study of the PAPs in order to identify following aspects as;

- Current beneficiaries (whether it is titled and/or untitled) of the area in the scope of the Project, in order to establish baseline for creating the displacement program and to avoid opportunistic claims,

- General characteristics of the affected households (description of production system, work and organization of household, basic information about livelihood) and living standards (including health conditions),
- Range of expected loss of property (total or partial) and range of displacement, whether physical or economic,
- Information on vulnerable groups, particularly those below the poverty line, old and infirm persons, women and children, ethnic groups and other resettled persons not protected by the Law of Expropriation, and for whom special measures must be taken,
- Measures for regular update of information on persons included in the census along with their livelihood and living standards. In case the updated information differ significantly from the original ones, specific measures will be established to record keeping these changes updated information differ significantly from the original data. In case the updated information differs significantly from the original data, measures will be establish and define to record these data and update displacement program.

A questionnaire template survey for carrying out the socio-economic census is provided in Annex 6. The questionnaire was prepared in accordance to IFC Resettlement Handbook (draft).

9.2 Preparation of the RAP

The purpose of the public meetings and disclosure is to ensure meaningful participation of PAPs in preparation, implementation and monitoring of the resettlement process. The Project Employer will adopt an approach that involves public disclosure of all appropriate information about the preparation of the RAP, meaningful consultation with PAPs and local communities and an effective procedure or mechanism by which Persons can make comments or raise grievances.

The RAP shall identify all people affected by the project and all adverse impacts on their livelihoods associated with the project's land acquisition. The owners and users of affected properties and vulnerable groups that are directly affected by the Project will be the main of in the stakeholder engagement process of the RAP. In addition, stakeholder engagement also includes regulatory agencies that are expected to be involved in the development and implementation of the RAP process. During the RAP process, PAPS and directly affected communities will be reached out and consulted about the Project. Informative meetings, household surveys, in-depth interviews and focus group discussions will be hold with the stakeholders.

The following bullets outlines the key topics to be covered during the preparation of RAP by the Project Employer as;

- Project Overview
 - Project Description
 - Project Components and its facilities
 - Description of the project components requiring land acquisition and resettlement; overall estimation of land acquisition and resettlement,
 - the project impacts ¹⁸and affected populations,
- Census and Socio-economic Surveys
 - The results of the census, assets inventories, natural resource assessments, and socio-economic surveys,
 - Identification of impacts and mitigation measures
 - Summary of the consultation records with the stakeholders
- Legal Framework
 - all relevant local laws and customs that apply to resettlement
 - gaps between local laws and International policies, and describe project-specific mechanisms to address conflicts.
 - entitlement policies for each category of impact and specify that resettlement implementation will be based on specific provisions of agreed RAP.
 - method of valuation used for affected structures, land, trees, and other assets,
 - Entitlement matrix
- Livelihood Restoration
 - the restoration strategies for PAPs,
 - process of consultation with affected populations and their participation in finalizing strategies for income restoration
 - Livelihood program execution and monitoring
- Institutional Arrangements
 - the institution(s) responsible for delivery of each item/activity in the entitlement policy; implementation of income restoration programs; and coordination of the activities associated with and described in the resettlement action plan.
 - mechanisms for ensuring independent monitoring, evaluation, and financial audit of the RAP and for ensuring that corrective measures are carried out in a timely fashion.
 - internal and management roles, responsibilities and authority as well as designate specific personnel to be responsible for the implementation and monitoring of RAP disclosure activity,
- Implementation Schedule

¹⁸ It is important to note that there will be no need of replacement sites, as the footprint of the Project has linear characteristics.

- List the chronological steps in implementation of the RAP, including identification of agencies responsible for each activity and with a brief explanation of each activity
- Participation and Consultation
 - Description of the stakeholders
 - the process of promoting consultation/participation of affected populations and stakeholders in resettlement preparation and planning.
 - the the process of involving affected populations and other stakeholders in implementation and monitoring.
 - the plan for disseminating RAP information to affected populations and stakeholders, including information about compensation for lost assets, eligibility for compensation, resettlement assistance, and grievance redress.
- Grievance Mechanism
 - the step-by-step process for registering and addressing grievances and provide specific details regarding a cost-free process for registering complaints, response time, and communication modes.
- Monitoring and Evaluation
 - the internal/performance monitoring process.
 - key monitoring indicators derived from baseline survey. Provide a list of monitoring indicators that will be used for internal monitoring.
 - institutional (including financial) arrangements.
 - frequency of reporting and content for internal monitoring.
 - process for integrating feedback from internal monitoring into implementation.
 - methodology for external monitoring.
 - key indicators for external monitoring.
 - frequency of reporting and content for external monitoring.
 - process for integrating feedback from external monitoring into implementation.
 - arrangements for final external evaluation,
- Cost and Budget;
 - clear statement of financial responsibility and authority,
 - Identify resettlement costs, if any, to be funded by the government and the mechanisms that will be established to ensure coordination of disbursements with the RAP and the project schedule,
 - Prepare an estimated budget, by cost and by item, for all resettlement costs including planning and implementation, management and administration, monitoring and evaluation, and contingencies

The Project Employer will prepare and make available to all affected persons and groups a summary document of the RAP, after final RAP has been adopted, in addition of appropriate full RAP disclosure.

9.3 Consultation and Disclosure of the Resettlement Action Plan

The Consultation and disclosure of the RAP will be realized in the following steps as described in the Table 9-1.

Table 9-1. Stages for the Consultation and Disclosure of the RAP

Stage		Details
1	Distribution of Non-Technical Summary	After the finalization of the draft ESIA the non-technical information about the Project including the land acquisition requirement, the impacts of the land acquisition and the mitigation measures that will be applied will be shared with the all stakeholders including PAPs through the various channels (website, meetings).
2	Consultation with Municipalities	The consultations with the municipalities located in the area of influence will be continued to be updated on the land registration, compensation, valuation, court cases.
3	Invitation Letter	Invitation letters will be sent to inform and notify the landowners of the decision of land acquisition and to invite them for negotiations. Invitation letters will be sent a second time to the landowners whose letters are returned during the first round of invitations due to erroneous addresses. The Guide to Land Acquisition and Compensation and frequently asked questions (See Annex 7) will be sent with the invitation.
4	Informative Meetings	The CoS will organize informative meetings in every village subject to land acquisition explaining the land valuation, compensation, schedule and the legal rights of the affected people.
5	RAP Consultations	The following consultation tools will be used with the affected people during the preparation of the RAP: <ul style="list-style-type: none"> - Socioeconomic survey - Census - Asset Inventory - Livelihood FGDs
6	RAP Disclosure	The RAP will be disclosed to project affected people and the relevant local and national governmental bodies. It will be also disclosed at the websites of the lenders bilingually.

9.4 Monitoring and Evaluation of the RAP

The RAP will provide a coherent monitoring plan that identifies the organizational responsibilities, the methodology, and the schedule for monitoring and reporting. According to IFC Handbook for preparing a Resettlement Action Plan (2002), the three essential components that are required within the monitoring plan are; performance monitoring, impact monitoring and completion audit. In addition, IFC PS 5 and other similar international standards require compliance reviews in certain high-risk projects.

10 MONITORING AND EVALUATION

The Project Employer will monitor the implementation of the land acquisition and livelihood restoration processes through internal institutional arrangements as well as through an independent, external monitor. Corrective actions will be taken as necessary. All transactions to acquire land rights, as well as compensation measures, relocation activities and resettlement assistance will be documented.

Monitoring and evaluation of the land acquisition will be conducted during the implementation to guide the process, identify the grievances and take action on the problematic areas. Monitoring process of the Project will be held in three areas including; input monitoring, output monitoring and outcome evaluation and completion audit.

The completion audit of the Resettlement Action Plan will be undertaken by external experts/consultants once the agreed monitoring period¹⁹ is concluded, and involve a more in-depth assessment than regular livelihood restoration monitoring activities, including;

- evaluation of whether additional measures that have been applied to bridge any gaps to meet international standards throughout the resettlement and livelihood restoration process,
- at a minimum a review of all mitigation measures with respect to the physical and/or economic displacement implemented by the Project,
- a comparison of implementation outcomes against agreed objectives,
- a conclusion as to whether the monitoring process can be ended and,
- where necessary, a Corrective Action Plan listing outstanding actions necessary to meet the objectives.

In addition, since the Project's land acquisition has already been started, this monitoring will also include evaluation of past-land acquisition and resettlement activities against IFC PS5 requirements.

As required by the Lenders, Independent Environmental and Social Consultants will also monitor the resettlement process regularly. An independent monitor will be engaged to conduct external monitoring of each RAP's implementation progress, assess the achievement of RAP objective and suggest corrective measures to be implemented to ensure project implementation is compliant with the provisions of the PS 5 requirements. This independent monitoring process will be conducted following implementation of each RAP with the agreed timeline between CoS and the Lenders.

¹⁹ The RAP completion audit can be prepared within 24 months following completion of construction of the Motorway or as such time as livelihood restoration is complete

10.1 Input Monitoring

CoS will have an internal monitoring system that will be used during the land acquisition and compensation processes. This internal monitoring process will be carried out by land acquisition register. The registry will be updated on a monthly basis and submitted to the headquarters annually.

10.2 Output Monitoring

This monitoring process will be used to measure the results of the input process including;

- Number of land plots for compensation agreements signed,
- Number (and percentage) of owners/users who signed compensation agreements
- Number (and percentage) of land plots /houses/businesses for which compensation agreements were refused/are still pending,
- Number (and percentage) of compensation agreements executed (compensation paid),
- Number of persons/households assisted by the implementation team by type of assistance and by category (owners/users),
- Input monitoring process will be developed in compliance with the IFI requirements and the following monitoring measures will be taken into consideration of the monitoring process,
- Number of replacement properties given and houses provided,
- Compensation records to forestry,
- Number and type of grievances, including legal Actions arising from expropriation (submitted cases, resolved cases, time needed for their resolution).

The input and output monitoring processes will be conducted in monthly basis till the land exit period of the all sections. It will be conducted by CoS land acquisition team.

The details of the monitoring and evaluation, methods and implementation arrangements will be presented in Section specific RAPs. The scope of the monitoring will comprise the following indicators shown in Table 10-1 below at minimum.

Table 10-1. Input and Output Monitoring

Input Indicators	Additional Notes	Frequency of measurement
Overall spending on land acquisition	Cash compensation, Compensation of fisheries, Costs of providing assistance, by type of assistance Consultation and engagement cost Costs of evaluators and surveyor Costs of legal fees Costs of taxes and registration fees Costs of consultancy input Costs of vehicles, computers, and so on	Monthly

Input Indicators	Additional Notes	Frequency of measurement
	Other costs (and type).	
Number of employees and consultants involved to the process	Members of the land acquisition team Members of other departments and Sections Social workers Skill trainers Land acquisition consultants.	Monthly
Total number of land owners and land users	Initial data will be received through the cadastral records, Updates will be made continuously as the implementation team Identifies all owners/users/fisheries of all land plots (for example, through the management of grievances).	Monthly
Total number of private and governmental lands	Data will be received through cadastral records	Monthly
Number of land plots for compensation agreements signed	The percentage should be calculated from the total number of affected land plots/houses/businesses, as identified by the census/survey.	Monthly
Number (and percentage) of land plots / businesses for which compensation agreements were refused/are still pending	If possible, a breakdown of reasons why compensation agreements have been declined (or have still not been accepted) should be provided (land/ businesses).	Monthly
Number (and percentage) of owners/users who refused to sign compensation agreements/ are still deliberating	If possible, a breakdown of reasons why compensation agreements have been declined (or have still not been accepted) should be provided (land/ businesses).	Monthly
Number (and percentage) of compensation agreements executed (compensation paid)	The percentage should be calculated from the number of compensation agreements signed.	Monthly
Number of of users or owners whom displaced physically	Number of replacement properties given and houses provided; Number of PAPs affected by exercising its right of ownership on buildings and land; Number of PAPs received compensation in time and full amount; Changes in the household conditions (i.e. the size of the house) Records of transitional allowances and rental allowances	Monthly
Number and type of grievances, including legal actions arising from expropriation	(submitted cases, resolved cases, time needed for their resolution).	Monthly
Number of vulnerable persons/households assisted by the implementation team by type of assistance and by category (owners/users)	Assistance to prepare ownership documents (monetary assistance, provision of information, legal aid, and so on) Other assistance (and type)	Monthly
Number of people whom were able to restore their livelihoods	Number and % of person who are satisfied with the replacement housing / residence / land; Number and % of person with improved household income; Number and % of persons with improved housing conditions;	Monthly

Input Indicators	Additional Notes	Frequency of measurement
	Number and % of persons with increased monthly expenditure level; Number and % of persons with improved asset ownership; Number and % of persons still living below poverty line (applying the same criteria as was used to determine vulnerability).	

11 IMPLEMENTATION ARRANGEMENTS

CoS, as the Project Employer, will be responsible for the implementation of all aspects of this Framework; including development and implementation of the RLRF, payment of compensation and delivery of entitlements to PAPs. All parties involved in the implementation of the Project, including the Contractors are required to comply with the requirements set out in this Framework.

The main roles and responsibilities of the land team is presented in Table 11-1 below.

Table 11-1. Roles and Responsibilities for the Land Acquisition Process

Name of the Institution	Responsibility
General Assembly of Republic of Serbia	Declares public interest by law
Ministry of Construction, Transport and Infrastructure	Proposes, prepares and coordinates Republic of Serbia's spatial plan ²⁰ and regional planning documents, manages the register of spatial plans
Corridors of Serbia	Administer the land acquisition process Informs local municipalities on land acquisition Provides maps of the affected areas to the relevant municipalities Applies and coordinates all resettlement activities Discloses the Cut-off date in public announcement for relevant municipality, as part of expropriation process Holds public consultations in all Project phases and engages with relevant stakeholders Discloses Project documents (e.g. ESIA; SEP, RLRF and RAP) Implements resettlement mitigation measures Monitor and evaluates resettlement process CoS will be the main responsible party of the Land Acquisition Grievance Mechanism with the assistance of CRS, in the cases where needed.
CIP, Highway Institute, Jaroslav Cerni	Conducts design that includes land required for the Project realization Assistance to vulnerable groups, as requested.
Tax Administration Offices	Determines the assessment of agricultural land (if replacement land cannot be found which is most often the case) and construction land.
Municipalities	Local municipalities govern the expropriation process (Department of property affairs)
Ministry of Agriculture and Environmental Protection	Provide information about available replacement land
Republic Geodetic Authority, State Cadaster of immovable property	Provides official information on all immovable, including land, structures, houses, etc. Provides official legal information on owners of immovable Provides information on possessors of immovable property Annotation of expropriation process Executes legal title changes of immovable property owners after land acquisition, expropriation etc. Implements the changes made by the process of expropriation in Cadastral Region
Municipal Courts	Determines fair compensation if amicable agreement has not been reached
Accredited External Experts of the Municipalities	Preliminary census, assessment and the valuation of the affected structures and trees on the land,

²⁰ Since the Spatial Plan for Phase-1 did not change and based on the first version of the Spatial Plan, the land acquisition process for Phase-1 has been started before the approval of the Spatial Plan prepared for the entire Project.

Name of the Institution	Responsibility
	Agricultural experts provide value for crop and plants also provide opinion on PAP's requests for expropriation of unviable land. Civil engineers experts provide value for structures and provide opinion on PAP's requests for expropriation of unviable land
Community Relations and Sustainability Department (CRSD)	Responsible for engaging with stakeholders and grievance mechanism

11.1 Institutional Structure of Corridors of Serbia

The Corridors of Serbia (also known as Koridori Srbije) was founded in 2009 by the Government of the Republic of Serbia with the aim to perform the works in the sphere of the traffic infrastructure – highways on the territory of the Republic of Serbia, for the purpose of investing in the construction of the highways, organizing and performing professional activities related to the construction of highways, including the activities relating to the expropriation, drafting of plan and design documents and performing of works, organizing of professional supervision over the construction of the highways, as well as the activities relating to the planning of the construction of the highways construction.

The Legal Affairs of the CoS is responsible for the responsible land acquisition process of the Project. The Legal Affairs is in charge of the activities relating to the implementation of projects financed by international financing institutions and organization, expropriation issues and mailing and receiving of documents. The organization structure of the CoS can be found in Figure 11-1 below.

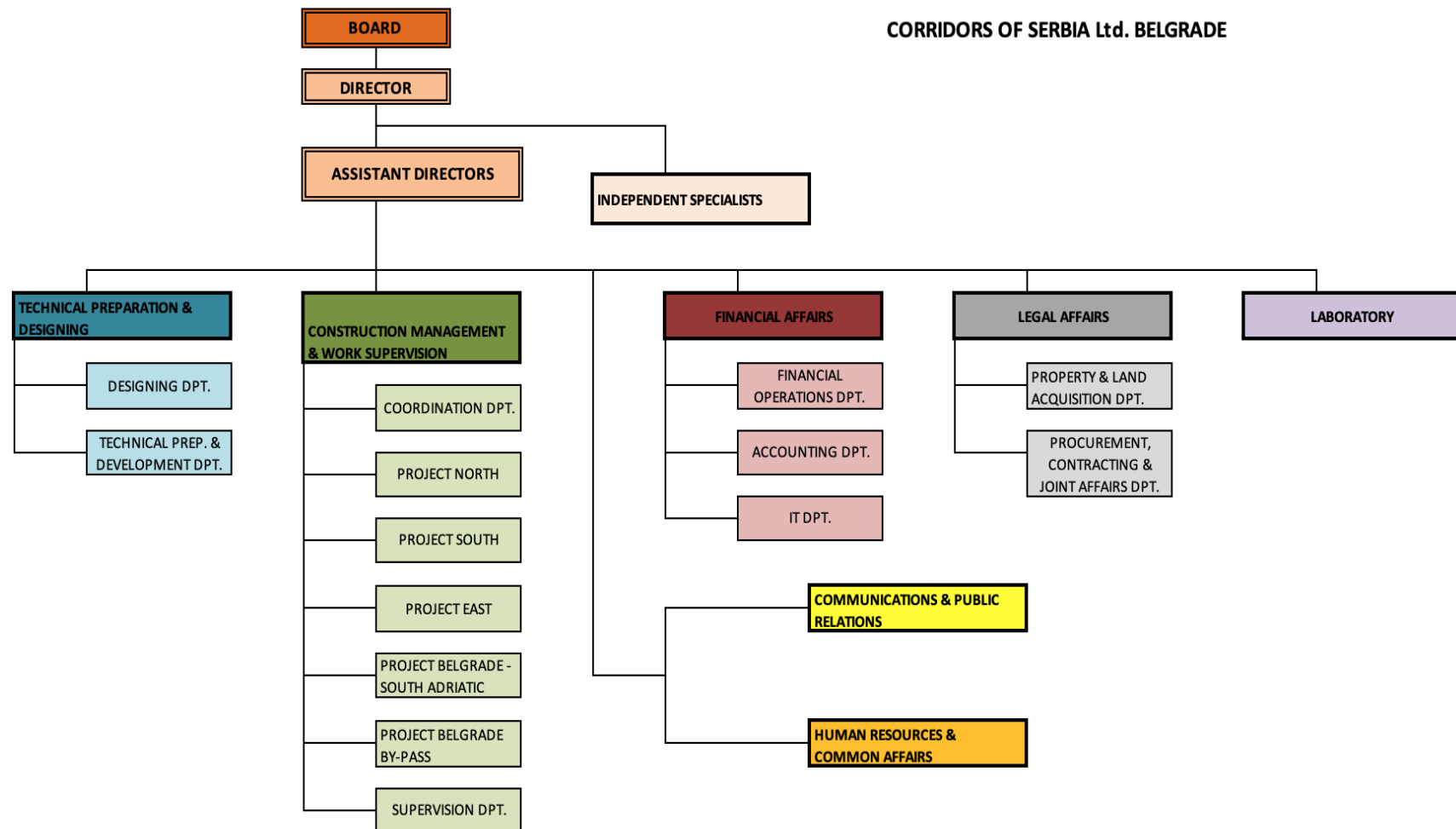


Figure 11-1. Organization Chart of the CoS

11.2 Budget

The budget for the all land acquisition funds will be provided by the Government of Serbia. All land acquisition, compensation, relocation and rehabilitation of income and livelihood, if any, consultations and grievance redress will be considered as an integral component of project costs.

The Resettlement Action Plan (RAP) will include detailed cost of compensation and other entitlement, with a breakdown of replacement or rehabilitation costs for administration, monitoring and evaluation, technical experts for design of the resettlement houses, agricultural and residential land, crops, houses and other structures, business and other assets, public facilities and services and utilities.

Annex – 1 Land Entry Protocol

Land Entry Protocol			
DATE			
DISTRICT		VILLAGE - LOCATION	
PARCEL			
GPS - COORDINATE			
PHOTOS			
REASON FOR LAND ENTRY			
REMARKS			
ATTACHMENTS			
<p>On the land with the information above, necessary compensation will be determined, calculated and be paid if required in case of any damage given to the agricultural products on temporarily used land through the pipeline route. With the completion of the site Works, if any damage is determined, it will be reported by the CLO and the Contractor shall pay the cost of the product. Signing of this form mutually, approves that the necessary permissions are given by the landowner / user.</p>			
LAND OWNER			
NAME, SURNAME		DATE	SIGNATURE
LAND USER			
NAME, SURNAME		DATE	SIGNATURE
VILLAGE REPRESENTATIVES			
NAME, SURNAME		DATE	SIGNATURE
COMMUNITY LIAISON OFFICER			
NAME, SURNAME		DATE	SIGNATURE

Annex – 2 Land Exit Protocol

Land Exit Protocol			
DATE			
DISTRICT		VILLAGE - LOCATION	
- PARCEL			
GPS COORDINATE			
PHOTOS			
REMARKS			
ATTACHMENTS			
Contractor has completed the reinstatement works of the above-mentioned land which was used during reconstruction works and has delivered the land back to land owner / user. The land owner / user declares that s/he has no rights to receive and releases contractor CoS.			
LAND OWNER			
NAME, SURNAME	DATE	SIGNATURE	
LAND USER			
NAME, SURNAME	DATE	SIGNATURE	
VILLAGE HEADMAN			
NAME, SURNAME	DATE	SIGNATURE	
COMMUNITY LIAISON OFFICER			
NAME, SURNAME	DATE	/ SIGNATURE	

Annex –3 Complaint Register Form (Template)

Complaint Register Form (Template)																
No	Complaint Date-	Name	Phone No	Village	District	Recorder	Complaint Issue	Complaint Details	Define The Complaint	Action-	Status	Sign Off Date	Remarks	Responsibility	Coordinates	Related Links

Annex –4 Stakeholder Consultation Form

Consultation Form			
Date		Consultation Register Number	
Person Filling Out the Form			
Agenda of the Meeting			
Meeting Info			
Form of Communication	<input type="checkbox"/> Phone <input type="checkbox"/> Face to face meeting <input type="checkbox"/> Web site <input type="checkbox"/> Other (please specify) <input type="checkbox"/> Contact at office <input type="checkbox"/> Site visit		
Type of Stakeholder			
Address			
Details of the Consultation			
Questions Regarding to the Project			
Concerns Feedbacks			
Remarks			
Authorized Person	Other Participants, if any		
Name:	Name:		
Date and Signature:	Date and Signature		

Annex – 5 Stakeholder Consultation Log Template

[illegible]

Annex – 6 Census Form

Census Form		
A- Household Information		
HOUSEHOLD CENSUS FORM NUMBER:		
Enumerator:	Date: : / /20	Signature
Checked by:	Date: : / /20	Signature
Inputted by:	Date: / /20	Signature
B Identification of Affected Property		
GPS Coordinates	Nothing:	
	Easting:	
Section No		
Municipality		
Village Name		
Cadastral Reference of Plot		
Type of Property		
Agricultural Plot		
Residential plot with residential building		
Plot with business		
Related forms in the household dossier:	Affected plot form number(s):	
	Affected structure form number(s):	
	Affected business form number(s):	
Photograph of HHH: Camera or card number		
File name(s)		
Downloaded and renumbered to:	By:	
	Date: / /	
C Identification of Affected Household		
Head of household: Full Name:		
Telephone number:		
HHH's identity document: Type:		
Number:		
Issued on: / / In:		

1	Full Name	Relationship with HHH*	Year of Birth	Sex Male/Female	Occupation **	Usual residence
2						
3						
4						
5						
6						
7						
Codes		1: Spouse 2: Child 3: Parent 4: Grandparent 5: Grandchild 6: Other	01: Farmer 02: Agricultural labourer 03: Housewife 04: Small self-employed business person (except agriculture) 05: Government or local authority employee 06: Utility employee 07: Employee of private business 08: Pensioner 09: Student in University or other higher education 10: Student in secondary or vocational school 11: Student in primary school 12: Preschool age child 13: Unemployed – does not work at all 14: Unemployed – works occasionally 15: Other (specify)			
			Number of Persons Cannot read and write:			
			Number of Persons Has completed primary:			
			Number of Persons Has completed secondary:			
			Number of Persons Has university degree:			
			In which of the following categories does the average total monthly income of your whole household fall:			
			1: Less than			
			2: Between and			
			3: Between and			
			4: Between and			
			5: More than			

Amongst the following, what are your main sources of income (1: highest – 0: not significant or not applicable)	Salaries	Agric. Production	Small business	Remittances	
	Pensions	Government or other assistance	Other (specify):	Other (specify):	
Amongst the following, what are your main sources of expense (1: highest – 0: not significant or not applicable)	Food	Housing (mortgage or rent)	Utilities (water, power, telephone)	Taxes	Transport
	Education	Health	Clothing	Other (specify):	Other (specify):
Do you produce some of your food needs:	Yes <input type="checkbox"/> No <input type="checkbox"/>				
Specify what and how significant it is					
Are there periods of time when it is really difficult to meet basic needs	Yes <input type="checkbox"/> No <input type="checkbox"/>				
If yes, could you please give further details on when are these periods and what causes to not meet basic needs?					
Will the project affect public areas and access to these areas? (Parks, recreation area, schools, hospitals, forests and businesses)?					
D Land use					
Ownership 1. Public 2. Rented 3. Belongs to and used by the household 4. Belongs to and rented by the household 5. Belongs to and products shared by the household 6. Shared with other heirs, land without deed Used without rent	Size of the land?	Type of the land? 1. Irrigated land 2. Dry agriculture 3. Zoned land 4. Commercial zoned land 5. Tourism zoned land 6. Grazing land 7. Other (specify)	Purpose of use? 1. Agriculture 2. Lease out Not in use 3. Greenhouse	If the purpose of the use is agriculture, please state the main agricultural products?	

E Vulnerability Issues					
Is anyone in the household suffering from one of the following problems: Indicate the Number	Physical handicap	Mental handicap	Chronic disease requiring regular medical attention	Chronic disease requiring hospitalization	Other problem: specify:
F Compensation Preferences					
<p><i>Make it clear to interviewee that at this stage this is indicative only. Seek to obtain joint opinion of both spouses.</i></p> <p>Replacement of land and house</p> <p>Replacement of land and cash compensation for house</p> <p>Cash compensation for both land and house</p> <p>Other: (specify)</p> <p>Does not know</p>					

Annex – 7 Frequently Asked Questions

1) What is Expropriation?

Expropriation is a legal way to enable the Project implementing body to use real estate including lands, buildings and other structures owned by natural or private persons for public benefit, when the development of the Project is required by public interest. The process of expropriation is a compulsory transfer of proprietary rights from a private or legal person to the implementing body of the Project regulated by the Expropriation Law (*Official Gazette RS, No. 53/95 dated December 28, 1995, including changes of 23/01 dated April 6, 2001, 20/09 dated March 19, 2009 and 55/13 dated June 25, 2013*). The expropriation may be in the form of ownership right, unrestricted and exclusive rights, easement or temporary easement right.

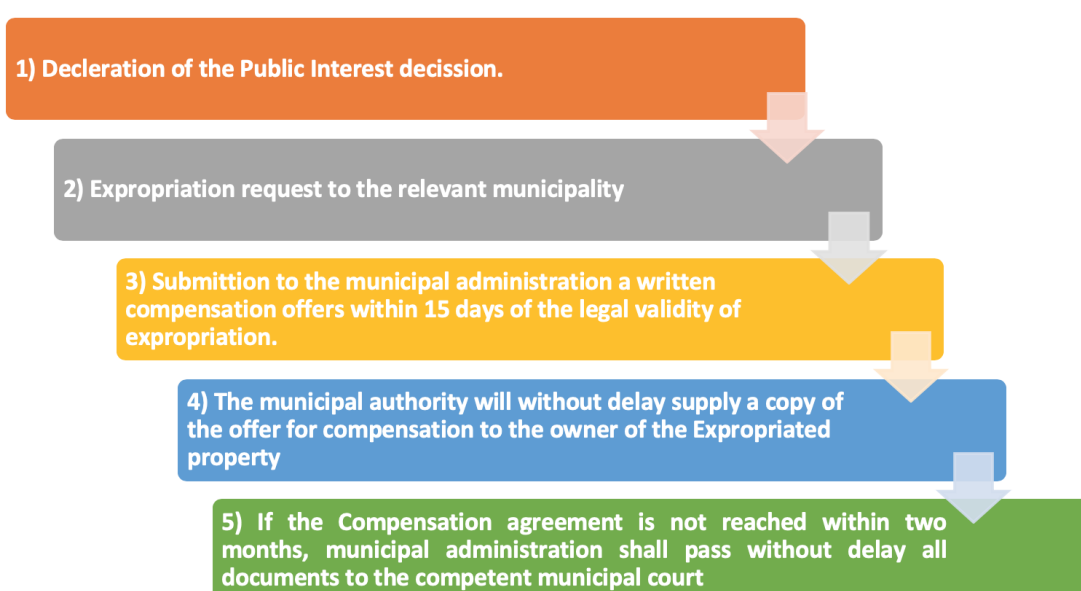
2) Who is responsible for the expropriation?

Land Acquisition and Expropriation for the Morava Corridor Motorway Project will be carried out by Corridors of Serbia on behalf of Government of Serbia, which is appointed as the Land Rights Entity.

The Motorway was identified taking into account the settlement areas, and special attention was paid at design to minimize the residences during construction of the Motorway.

Expropriation and construction works will be performed in line with international standards and losses of individuals, who were directly or indirectly affected by the Project and faced with economical loss, will be compensated as per determined by the criteria.

3) What are the main steps of the Expropriation?



4) When will the expropriation start?

Expropriation activities started in April 2019.

5) How is the expropriation going to be carried out?

Expropriation will be carried out as per the Expropriation Law (*Official Gazette RS, No. 53/95 dated December 28, 1995, including changes of 23/01 dated April 6, 2001, 20/09 dated March 19, 2009 and 55/13 dated June 25, 2013*).

6) How is the expropriation amount going to be determined and how will the payment be made?

Tax Administration determines the value of the land within 2-3 days before the agreement on the compensation to be in compliance with the market values.

7) What if I do not accept the expropriation value?

The property owners have the right not to accept the expropriation value. In this case, the relevant Municipality will apply to Court with a request of valuation and registration, for the expropriation value to be determined by the court. The court will appoint experts, who will visit the site, and determine the expropriation value.

8) How do I receive the expropriation value?

If agreement is reached, together with the transfer of rights in the land registration office the expropriation value will be paid in advance through the bank account of the person.

9) Will standing crops be compensated?

Cost of the standing crops to be damaged due to construction activities will be paid to their owner right before construction works start on the land, based on the current status of the crops and the product value to be obtained from the directorates of agriculture.

10) If the land is registered in my name but the trees planted on the land belongs to someone else, who receives the compensation for trees?

Preliminary census, assessment and the valuation of the affected structures and trees on the land by the Accredited External Experts assigned by the relevant Municipality.

11) How can I raise my concerns?

A Stakeholder Engagement Plan, which explains in detail the interaction between the Project Parties and stakeholders, was developed. The implementation of Stakeholder Engagement is the overall responsibility of the Corridor of Serbia (CoS) as the investor.

In order to establish effective and transparent relations with the project Grievance Mechanism was established for the communication of the communities and individuals affected by the Project. Project Affected Persons can formally communicate their concerns, complaints and grievances and facilitate resolutions that are mutually acceptable by the parties.