



**Western Balkans Investment Framework  
Infrastructure Project Facility  
Technical Assistance 6 (IPF6)**

TA 2012054 R0 WBF

**WB18-SRB-TRA-01**

**Orient/East-Med Corridor (Road R7): Detailed Design and  
Tender Documents for the construction of Highway E-80 in  
Serbia (SEETO Route 7): Niš (Merošina) to Pločnik (Beloljin),**

Section 2: Km 5+670 – Km 14+300

Section 3: Km 14+284 – Km 27+096

Section 4: Km 27+096 – Km 32+650

**RESETTLEMENT ACTION PLAN**

**July 2021**

Financed under a specific grant agreement no 2017/388-041 from EU IPA II  
Multi-Beneficiary Programme for Albania, Bosnia and Herzegovina, North  
Macedonia, Kosovo\*, Montenegro and Serbia

\* Throughout this document, this designation is without prejudice to positions on status and is in line with  
UNSCR 1244 and ICJ Opinion on the Kosovo Declaration of Independence



IPF6 Consortium

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## SUB-PROJECT DATA SUMMARY

<b>ACTION</b>	Sub-project implementation
<b>PROJECT</b>	Detailed Design and Tender Documents for the construction of highway E-80 in Serbia (SEETO Route 7): from Niš (Merošina) to Pločnik (Beloljin), - I phase of construction section 2: km 5+670 – km 14+300 section 3: km 14+284 – km 27+096 section 4: km 27+096 – km 32+650
<b>PROJECT CODE</b>	WB18-SRB-TRA-01
<b>BENEFICIARY</b>	Project promoter – Republic of Serbia, Ministry of Construction, Transport and Infrastructure and “Corridors of Serbia” Beneficiary – “Corridors of Serbia”
<b>SECTOR</b>	Transport
<b>COUNTRY</b>	Serbia
<b>LEAD IFI</b>	European Investment Bank
<b>TA GRANT VALUE</b>	EUR 4,800,000
<b>Assigned to IPF6</b>	06 September 2018
<b>Non-Objection by CA</b>	29 May 2019
<b>Commencement date</b>	11 June 2019
<b>Duration (months)</b>	28
<b>Due date for completion</b>	28 August 2021
<b>IPF6 Key Expert responsible</b>	Aristides Karlaftis

## LIST OF ABBREVIATIONS

CD	Conceptual Design
DD	Detailed Design (also referred to as Main Design - MD)
EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
EIB	European Investment Bank
ES	Environmental and Social
ESIA	Environmental and Social Impact Assessment
ESS	Environment and Social Standard
EU	European Union
EUR	Euro
IESC	Independent Environmental and Social Consultant
IFI	International Financial Institution
ILO	International Labour Organization
IPA	Instrument for Pre-Accession
IPF	Infrastructure Project Facility
IPF4	Infrastructure Project Facility – Technical Assistance 4
KSDOO	Koridori Srbije Društvo s ograničenom odgovornošću
LTA	Lenders Technical Advisor
MAFWM	Ministry of Agriculture Forestry and Water Management
MCTI	Ministry of Construction Transport and Infrastructure
PAP	Project Affected Person
PERS	Public Enterprise Roads of Serbia
PR	Performance Requirement
RS	Republic of Serbia
RSD	Serbian Dinar
SEETO	South East Europe Transport Observatory
SEP	Stakeholder Engagement Plan
SER	Serbia
ToR	Terms of Reference

## LIST OF DEFINITIONS/GLOSSARY

**COMPENSATION.** Payment in cash or in kind for an asset or a resource that is acquired or affected by a project. Compensation will be paid before taking possession of the land and assets in all cases, including where this is not possible due to absence or impossibility of identifying the owners. In the case of absence of owners, the money is available for an unlimited period of time.

**CUT-OFF DATE.** Date of Socio-economic Survey determining the number of PAPs and the extent of impact on their structures and other assets. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the cut-off date will not be compensated.

**ECONOMIC DISPLACEMENT.** Loss of income streams or means of livelihood, resulting from land acquisition or obstructed access to resources and property (land, water or forest) resulting from the construction or operation of a project or its associated facilities.

**EXPROPRIATION.** Means deprivation or limitation of ownership rights of property with a compensation pursuant to market value of that property.

**INVOLUNTARY RESETTLEMENT.** Resettlement is involuntary when land is acquired through the application of state powers. Actions is based on announced public interest and may be taken without the displaced person's informed consent or power of choice.

**LIVELIHOOD RESTORATION.** Measures that will be undertaken to assist physically and economically displaced PAPs to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. Assistance must continue after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living.

**MOVING ALLOWANCE.** The moving allowance is a cash compensation for costs directly associated to moving/relocation of the household, with expropriated of residential structure or business premises.

**PAP.** Project Affected Person is 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.

**PHYSICAL DISPLACEMENT.** Loss of shelter or property caused by expropriation of land in connection with the project, which requires the physical shifting of a PAP from his/her pre-project place or residence, place for work or business premises.

**REPLACEMENT COST.** For agricultural land, replacement cost is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials

to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not considered, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. It also includes costs for levelling or other preparation for new construction or use. Costs are calculated based on the time at which the asset is being replaced, if not, inflation is considered in calculating costs.

**RESETTLEMENT ACTION PLAN (RAP).** The document specifying the procedures to be followed and the Actions to be taken to mitigate adverse effects, compensate losses, and provide development benefits to persons and communities affected by an investment project. The RAP should be consistent with the principles and objectives of the PR 5, ESS and the RPF and Additional Guidance note as amended by the LARF.

**MINOR RESETTLEMENT IMPACTS.** To categorize resettlement as minor resettlement impacts all of the following conditions have to be met: all of the PAPs lose less than 10 percent of their land, regardless of the number of PAPs (b) the remainder of their land is economically viable; and (c) they have no need for physical relocation.

**RESETTLEMENT POLICY FRAMEWORK (RPF).** RPF is a Project level document meant to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects to be prepared during project implementation. It contains clear definitions of conditions under which the resettlement (for a specific project, a sector program or within a political entity like a state or a province) will be planned and implemented. It defines issues like entitlement, principles of compensation, grievance processes and other legal procedures. An RPF is required for projects with subprojects or multiple components that cannot be identified before project approval. The RPF should be consistent with the principles and objectives of EBRD PR 5 and EIB ESS.

**STAKEHOLDERS.** Any and all individuals, groups, organizations, and institutions interested in and potentially affected by a project or having the ability to influence a project.

**RECALIBRATING STAKEHOLDER ENGAGEMENT.** Adapting activities of stakeholder engagement in the times of the COVID-19 pandemic and the need for physical distancing.

# 1 INTRODUCTION

The construction of Phase I of the 32.65 km long road from Merošina - Beloljin as a part of the Niš-Merdare Highway E-80 in Serbia. The entire road for development purposes is divided into 4 Sections<sup>1</sup>.

The Resettlement Action Plan covering impacts attributable to section 1 (km 0+477 - km 5+670) has been prepared, disclosed and consulted on during 2020 and early 2021.

This supplementary document is the Resettlement Action Plan prepared to cover impacts along the three remaining Sections: 2, 3 and 4 located within the administrative boundaries of Municipality of Prokuplje. In particular:

section 2: km 5+670 – km 14+300

section 3: km 14+284 – km 27+096

section 4: km 27+096 – km 32+650

The phased approach was exercised during preparation of the RAPs due to COVID-19 impacts which have delayed the socio-economic surveys of some of the affected persons.

The document conforms with the laws on land acquisition and resettlement (LAR) of Serbia (primarily Law on expropriation), the requirements of the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB) who financially support development of this Project by making available to the Republic of Serbia financial proceeds in the total amount of million 185 EUR. The requirements of the latter documents are fairly similar and, therefore, all references to EBRD PR 5 may be understood as a reference to EIB Social Standard 6.

Any reference in the document to project description, entitlements and benefits are to be understood to relate to the project as a whole.

The table below depicts the overview of impacts attributable to Section 2, 3 and 4 of said route.

*Table 1: Overview of impacts*

No.	Description	Unit	Number
<b>Land Tenure Patterns</b>			
<b>1</b>	Total of project affected land parcels	No.	2064
		sq.m.	2,319,285
<b>2</b>	Total of State-owned land parcels	No	113
		sq.m.	172,294
<b>3</b>	Total of project affected private land parcels	No	1,622
		sq.m.	1,741,942
<b>4</b>	Total of Private-State Co-Owned land	No	329
		Sq.m	405,049
<b>Land Use and Compensation Categories for private land</b>			
<b>11</b>	Fertile land	%	35,9
		sq.m	625,357.17

<sup>1</sup> section 1: km 0+477 - km 5+670 ; section 2: km 5+670 – km 14+300, section 3: km 14+284 – km 27+096 and section 4: km 27+096 – km 32+6

No.	Description	Unit	Number
12	Unfertile land	%.	15,6
		sq.m	271,742.95
12.1	Orchards and vineyards	%	15,0
		sq.m	261,291.30
12.2	Woodlands	%.	2
		sq.m	34,838.34
12.3	Other (land classified as construction land not hosting any structures)	%	21,2
		sq.m	369,291.70
<b>Affected Structures</b>			
17	Residential houses	No	18
		sq.m.	1,994
18	Holiday home	No.	3
		sq.m	168
18	Land parcels attached with commercial facilities	No	1
		sq.m.	138
<b>Affected Households</b>			
22	Total Project Affected Persons <sup>2</sup>	No.	563
22	Males affected	%	84
23	Females affected	%	16
24	PAPs with major <sup>3</sup> impacts	No.	2
25	Vulnerable households	No.	22
26	Resettled households	No.	18

Koridori Srbije D.O.O., a limited liability company, is responsible for implementation of the Project and is the implementing entity responsible for procurement including fiduciary, implementation of obligation of the Republic of Serbia, as the Borrower to two Loan Agreements and a Beneficiary to a Grant Agreement has accepted to comply with in the area of Environmental and Social Standards.

This RAP is compliant with both Serbian Laws and the EBRD PR5 and EIB Social Standard (ESS1, ESS6, ESS7, and ESS10).

### 1.1. Project description

The route is located in the southeast part of Serbia and will be approximately 32 km long.

The Route has high priority and significance nationally and internationally. The Highway E-80 is part of the road axis which links Bulgaria with Adriatic Sea via Serbia, and Albania. This is Route 7 in SEETO core network, a priority highway according to the national strategy of the Republic of Serbia and the SEETO Core (high priority) Network.

<sup>2</sup> One PAPs owns in average 2 parcels, while some of them own 3, 4 and more. In addition a numbers are in the category of co-owners with a share from 1/6 to 1/16.

<sup>3</sup> Loss of land greater than 80% of total land holding of the household is considered as major impacts

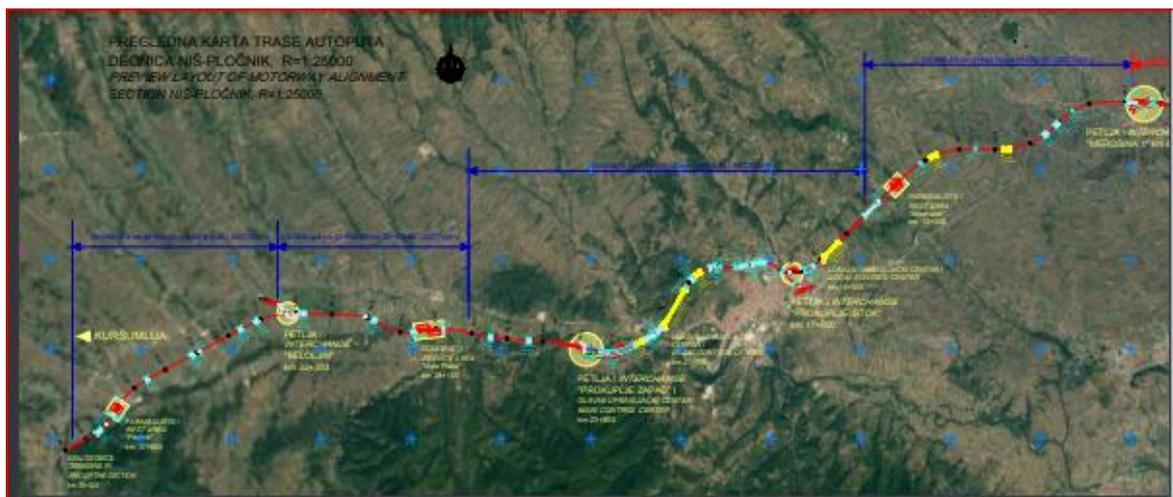


Figure 1: The route from Junction Merošina 1 to Pločnik (for which impacts are covered)

EBRD PR 5 and EIB ESS6 require that physical and economic displacement by means of land acquisition should be avoided or, to the extent feasible, minimized. Measures to minimize impacts have been implemented throughout the planning and design stages. These measures include (i) undertaking an initial route selection study to examine various alignment options and selecting the one with the least impact, and (ii) fine-tuning of the alignment during the preliminary and final design stage, using aerial photos and topographical survey plans, to determine exact alignments with minimum impacts on structures and property. The Design Report states that, “...selection of the alignment was mostly based in principles of value engineering and environmental mitigation, trying to preserve, as much as possible, the local infrastructures, social context, fauna and flora, landscape, all this without the prejudice for the new road’s serviceability and functionality.” Examination of the alignment shows that local infrastructure/social context has been respected as the alignment does not traverse any settlement (although it does pass through the edge of Prokuplje). Also, severance of local roads will be avoided by provision of appropriate junctions.

The following are some of the expected benefits from the construction of the Nis - Beloljin route.

- Enhanced connectivity from Nis to Prokuplje,
- Enhanced connectivity of rural villages on both sides of the route to municipal centres and Nis,
- Improved road safety.
- Trade and transport facilitation.
- Attracting new investments into this underdeveloped region

## 1.2. Objective and Principles of the Resettlement Action Plan

The objective of this RAP is to document the procedures to be followed and the actions taken to properly acquire land and compensate affected people by allowing and providing for adequate participation, consultation and full functioning of the grievance mechanism. Furthermore, the plan sets out actions on how to avoid and mitigate future impacts to land and provide prompt and effective compensation for residual impacts if any to those eligible. The objectives set shall be adhered to regardless of the scope and scale of impact. The overarching objectives of this RAP are to define rules, principles, procedures, actions and outline organizational structures and capacity requirements during Project to minimize and

mitigate the loss of private lands and non-land assets, and resultant loss in livelihoods for affected people.

The more specific objectives are:

- providing procedures for due diligence;
- classifying RS legal solutions in the event of involuntary resettlement, relocation and loss of assets, including legal and administrative procedures and assessment of compensation to be paid for loss of assets;
- comparing national requirements to EBRD PR5, and EIB ESS 1, ESS 6, ESS 7 and ESS 10.

EIB ESSs and good practice cases as well, as lessons learned through implementation of social safeguards practices earlier IFI (EBRD, EIB and WB) supported development projects.

This RAP is tailored to cover identified direct economic and social impacts that both result from EBRD/EIB assisted investment projects and are caused by:

- Acquisition of land title /land use rights for the road project purposes through expropriation of other compulsory procedures.

### **1.3. Methodology**

The preparation of this RAP was through a combination of desk and field study. The desk study involved review of project documentation including maps for the project sites, cadastral records, municipal database on PAPs and their assets, expropriation records, compensation offers and preliminary technical designs. The desk study was supplemented with surveying of the project sites to establish the exact impact of the proposed subprojects in terms of required land and affected property to create an inventory of PAPs and land. The field survey consisted of conducting household census of identified PAPs, socioeconomic study of the PAPs as well as census and measurement of their land. The Census was prepared on the basis of data available through the Cadastral Register and Social surveys based on individual interviews. Secondary data were used in addition to generated primary data obtained through the PAPs and interviews with government officials and non-government officials about PAPs and their assets. During analysis and interpretation of the gathered data equal weight was given to quantitative and qualitative aspects so that it reflects a balanced reality of the current situation of the PAPs. The data generated shall serve as baseline conditions against which the living standards of the PAPs shall be compared to during the follow up survey in the Completion Report. A sample of 400 for a 'population' of around 1200 is considered to be a reasonable sample size (at 95% confidence level and 3% margin of error) and to provide credible data – as the selection of the interviewed PAPs was not random (it is known, from socio-economic baseline study that most affected persons are homogenous in terms of livelihood status and demographic factors).

The census of people affected by the project is a key initial stage in the preparation of the RAP. The Project demographic data can serve four important and interrelated functions:

- Enumerating and collecting basic information on the affected population,
- Registering the affected population by residence,
- Establishing a list of legitimate beneficiaries before the properly announced moratorium or cut-off date that counters opportunistic claims from those moving into the Project Area solely in anticipation of benefits,
- Laying a framework for subsequent socio-economic research needed.

### **1.4. Status of Expropriation Process at time of preparation of this RAP**

The Public interest for purposes of commencement of land acquisition was established by the Governments decision 05 Number: 465-2097/2018 dated 16.03.2018 disclosed in the Official Gazette RS No. 21/2018 dated 19 March 2018.

### **1.5. Commencement of expropriation**

At the time of preparation of this RAP the Public Enterprise Roads of Serbia (PERS) has submitted proposals to the Cadastre authority (in January 2020) to develop Land Plan schedules and the administrative part of the land acquisition process had commenced including the census. The Land plan schedule serves to register the delineation of area of land subject to future expropriation from the land not required for the purposes of Project development. The delineation of the project has been completed and all PAPs have received respective information in the form of written decisions. The information from the Cadastre is land parcel and owner specific. Such delineation can be appealed against within 15 days from receipt. There have been no appeals for land required for development of Phase I. The formal process of expropriation for Sections 2, 3 and 4 is now ready to commence.

### **1.6. Information on expropriation**

In line with the Resettlement Policy Framework (RPF) prepared in 2016 for this Project, a Guide to Land Acquisition and Resettlement has been developed and is presented in Annex 6.

### **1.7. Social survey**

Preparations for the Social Survey began in April 2020, but due to restrictions caused by COVID-19, fieldwork was enabled only in early July 2020 and lasted until early March 2021.

The alternative approaches to be practised for stakeholder engagement included:

- (i) small groups consultations if smaller meetings are permitted, or making reasonable efforts to conduct meetings through online channels (e.g. WebEx, zoom, Skype etc.); Where possible and appropriate, create dedicated online platforms and chat-groups appropriate for the purpose, based on the type and category of stakeholders;
- (ii) diversifying means of communication and relying more on social media, chat groups, dedicated online platforms & mobile Apps (e.g. Facebook, Twitter, WhatsApp groups, Viber-App groups, project web-links/websites etc.);
- (iii) employing traditional channels of communications such TV, radio, dedicated phone-lines, SMS broadcasting, public announcements when stakeholders do not have access to online channels or do not use them frequently.
- (iv) Chose venues carefully based on hygiene and sanitation standards that can be achieved during the meetings;
- (v) Employ traditional channels of communications (TV, newspaper, radio, dedicated phone-lines, and mail) when stakeholders do not have access to online channels or do not use them frequently. Traditional channels can also be highly effective in conveying relevant information to stakeholders, and allow them to provide their feedback and suggestions;
- (vi) Where direct engagement with project affected people or beneficiaries is necessary, identify channels for direct communication with each affected household via a context

specific combination of email messages, mail, online platforms, dedicated phone lines with knowledgeable operators;

- (vii) Each of the proposed channels of engagement should clearly specify how feedback and suggestions can be provided by stakeholders.

The survey in the Municipality of Prokuplje covered 400 survey participants which are directly impacted by land acquisition and resettlement needs of the Project. Based on the newest health guidelines and restriction imposed in country, in collaboration with the local Municipalities a rapid vulnerability assessment was conducted. The assessment identified groups which because of their health status, age chronic diseases might be at higher risk to COVID-19 health impacts. Diverse means of communication were established which included at primary level telephone contacts with PAPs. Based on the PAPs preferred mean of survey options a combination of email messages, phone survey and face to face meetings were deployed. The survey had been preceded by an in-depth training of the survey team which included good hygiene practices.

The survey briefly explained that this process was continuation of engagement activities started in 2016 and continued throughout the RAPs preparation to be aligned with standards and requirements of IFIs (i.e., EBRD and EIB) supporting the Project.

## 2 LEGAL FRAMEWORK

### 2.1. The National Land Policy - The Republic of Serbia Expropriation Law

**The Law on Expropriation**<sup>4</sup> (passed in 1995 and enacted on January 1, 1996, ("Official Gazette of the RS" No 53/95, ...20/2009, 55/2013-CC ruling and 106/2016 – authentic interpretation) enables acquisition of property for development of projects in public interest by use of eminent domain power of the State, while protecting the interests of all persons with legal title, whose assets are subjected to expropriation. The law preserves the principle of compensation at market value.

The most important features of the Law on Expropriation are:

- It is intended to ensure simple, efficient process, reducing as far as possible the need for a lengthy judicial process to facilitate necessary expropriation. Under normal circumstances, the entire process of acquisition can be completed within six months;
- The fair value of the land affected by a particular scheme, or project, is determined by the Tax Administration, on behalf of the "Beneficiary of Expropriation". The value is assessed on the basis of current market price;
- In the case of privately-owned agricultural land, if comparable land of the same type and quality, or the appropriate value, in the same area or vicinity (Article 15 of the Expropriation Law) can be identified, it is offered to the Project Affected Person with formal title;
- The comparability of land is determined on the basis of an assessment of the available public land, by an accredited expert hired by or at the proposal of the Beneficiary of Expropriation.

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<sup>4</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_eksproprijaciji.html](https://www.paragraf.rs/propisi/zakon_o_eksproprijaciji.html), ibid

- In case of disagreement on the comparability of the land offered, a different accredited expert would be hired by the local municipality to determine the comparability of the land offered;
- Further disagreement would result in the Project Affected Person resorting to the judicial process, where a decision would be made on the comparability of the land, or the payment of the assessed fair value in monetary terms;
- If the Project Affected Person does not opt for land-for-land compensation s/he is offered cash;
- Where comparable land cannot be identified, the Project Affected Person with legal title is offered the assessed fair value as determined by the Tax Administration. If the Project Affected Person wishes to challenge the assessment of “fair value” they can resort to the judicial process;
- For the Project Affected Person, without formal title, there is currently no provision to pay compensation under the Law on Expropriation; however, precedents were established in the past decade which recognizes informal owners as de facto title holders. During the Socio-economic Survey no PAPs without formal title were identified.
- In the case of a Project Affected Person, with a formal title, who has constructed a permanent structure, without a formal building permit, compensation can be paid, if decided by a Court, under the Law on Fundamentals of Property Relations (1980, applicable from 1st September 1980, amended 1990, 1996 and 2005) in terms of the investment made – as determined by an accredited Expert to assess the value of the materials used.

## **2.2. Public interest and purpose of expropriation**

Property can only be expropriated upon declaration of public interest (Law on Expropriation, Art. 1).

Expropriation may be carried out for the needs of Republic of Serbia, cities, municipalities, public enterprises and public institutions, unless otherwise provided by the Law.

The Law on Expropriation requires the Beneficiary of Expropriation to justify the need for expropriation and to demonstrate that the scheme cannot occur without the proposed expropriation. The declaration of public interest/use is a special procedure, which precedes and enables any property acquisition and expropriation.

## **2.3. Expropriation process**

A condition to start expropriation is the existence of evidence that the required funds have been secured and made available. It is necessary for the Beneficiary of Expropriation arranging a Bank Guarantee with a Commercial Bank for the assessed fair value or in case of Local Governments is the Beneficiary of expropriation adequate appropriations within the Budget(s) are made (Art. 24; Law on Expropriation)

The procedure for expropriation starts with a proposal for expropriation, submitted by the Expropriation Beneficiary to the relevant Municipality (“the expropriation authority”). Individual expropriation proposals are prepared for each Project Affected Person i.e. land parcel affected, specifying the area of land impacted, the specific justification for expropriation, together with the confirmation that the scheme is included in the relevant regional and/or spatial plan.

Once the proposal has been submitted with supporting documentation individual invitations to hearings on expropriation are sent to every PAP. The invitation specifies the purpose, time

and date of hearing proposed and provides the PAPs with a list of documents that will be made available for presentation and discussion at the agreed time.

After the hearing with the individual PAP has been finalized, comments by the PAP received, and recorded in the minutes form an Expropriation decision is issued.

#### **2.4. Valuation**

At the valuation stage, the Beneficiary of Expropriation requests the Taxation Administration to assess the market price for land. In case of agricultural land, the Beneficiary of Expropriation aims to provide replacement land by requesting the Ministry of Agriculture Forestry and Water Management (MAFWM), to provide information on available comparable agricultural land. In addition, the Beneficiary of Expropriation hires, at its own expense, through the relevant City, an accredited expert(s) to assess the value of the land, agricultural output, businesses, and all immovable property and structures. Such valuation is conducted in the presence of the Project-Affected Persons.

In the event that the PAPs disagree with the offered either cash or replacement compensation, they can resort to the judicial process, and the Beneficiary of Expropriation can request the Ministry of Finance, on very exceptional case to case basis, to allow access to the site i.e. Compulsory possession (Article 35, Law on Expropriation) prior to payment of compensation. Such permission is granted on a case-to-case basis assessing all relevant facts of the individual case. Based on the objectives of the Project, works to be executed are considered as urgent and access to site could be allowed. However, the compensation remains accessible at all times within the Budget. Compulsory possession is prohibited and not allowed in cases of physical displacement (unless appropriate provisional accommodation to the satisfaction of the PAPs is made available),

The Beneficiary of expropriation is not required to prepare a socio-economic study or a baseline census with regard to the Project Affected Persons.

Once the decision cannot be disputed by legal remedies it becomes legally binding and the negotiations on the compensation is ready to commence. The Agreement has to include the timing and rate at which cash compensation will be paid or in-kind compensation provided (Art. 26). If no agreement on compensation is reached within 2 months of the validity of the Decision on Expropriation (or less if the Municipal Administration decides as such), the Municipal Administration submits the valid Decision together with other relevant documents to the competent Court, at the territory of which the expropriated real property is located, for the purpose of determining the compensation. The amount of compensation may increase or decrease. The competent court *ex officio* decides in non-contentious proceedings on the amount of compensation for the expropriated property.

#### **2.5. Information and consultation requirements**

The Law on expropriation does not require *per se* public dissemination of information on the area delineated, and systematic and continuous engagement. Nevertheless, it requires public disclosure of the decision of declaration of Public interest and the Municipal authority to invite affected person individually with formal ownership title to a meeting to present any facts which may be relevant for expropriation. It additionally requires timely dissemination and information of every decision within the process flowchart. This dissemination has statutory limits wherever a legal remedy is provided.

## 2.6. Information of public importance

Information of public importance is information held by a public authority, created during or in relation to its operation as a public authority body, which is contained in a document and concerns anything the public has a justified interest to know. The Law on information of public importance (Official Gazette RS", br. 120/2004, 54/2007, 104/2009 and 36/2010) requires any document publicly disclosed to have integrated guidance on how to access information of public importance.

This subject is governed by the Law on Free Access to Information of Public Importance shall govern the rights of access to information of public importance held by public authorities, with a view to exercising and protecting the public interest to know and attaining a free democratic order and an open society.

By virtue of this Law access to information shall be granted to all stakeholders, including every natural person or legal entity upon written request unless otherwise regulated by the Law. Within 15 days of receipt of a request at the latest, the authority shall inform the applicant whether the requested information is held, and grant him/her access to the document containing the requested information or issue or send to the applicant a copy of the document, as the case may be. Annex 2 provides a template for access to information.

## 2.7. Other Applicable Laws and Provisions

Besides the Law on Expropriation, the following comprise the list of legal documents, policies and regulatory acts and frameworks dealing with expropriation and resettlement and other social impacts associated with planning and construction of infrastructure facilities representing basis of this RAP:

**Constitution of the Republic of Serbia**<sup>5</sup>. Passed in 2006 (the constitution was approved in the constitutional referendum of 2006, held from the 28-29th of October and officially proclaimed by the National Assembly of Serbia on November 8, 2006), the Constitution proclaims the rule of law and social justice, principles of civil democracy, human and minority rights and freedoms, and commitment to European principles and values.

Article 58 generally acknowledges guarantees of peaceful tenure of a person's property and other property rights acquired by law. It states that property rights may be revoked or restricted only when in public interest, established by law and with compensation equaling the market value at the minimum. It is to be emphasized that the Constitution of RS sets payment of compensation at the level defined not less than the "market value". As such, this is an important provision for bridging gaps between Serbian laws and resettlement standards embodied in PR 5 and ESS6, as it will be presented later in this document. The provisions of the Constitution do not differentiate formal from informal properties relevant from the perspective of the structures constructed without a construction permit, a practice common for the past 50 years in Serbia. The Constitution further proclaims that all human rights (including the right of property) and minority rights guaranteed by the Constitution shall be implemented directly.

Of equal relevance is Article 16 stating 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 PR5, ESS6 resettlement standards and policies, provisions of the RPF and this RAPs next to existing Serbian laws, and most important ways of bridging gaps.

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<sup>5</sup> <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/74694/119555/F838981147/SRB74694%20Eng.pdf> provides English version for review, last accessed October 9, 2020.

**The Law on Public property**<sup>6</sup>. Published in "Official Gazette of the RS, No. 72/2011, 88/2013, 105/2014, 104/2016 - other law, 108/2016, 113/2017 and 95/2018), it stipulates fundamental provisions on public ownership and other proprietary rights of the State, autonomous provinces and local self-government units.

**The Law on foundations of legal relations over properties**<sup>7</sup>. **The Law** ("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-other law) stipulates fundamental provisions of property relations, including 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. Most important provisions of this Law are considerably influencing the eligibility criteria in the resettlement process and application of EBRD and EIB standards (such as the provisions on ownership rights acquired by construction (for informally constructed structures), provisions on the legal assumptions of joint spouse property on property acquired during marriage etc.

**The Law on Construction and Planning**<sup>8</sup>. Published in "Official Gazette of the RS", No. 72/09. 81/09 (Corrigendum), changed by Constitutional Court of RS ruling 64/10 (CC), 24/11, 121/12, 42/13 (CC), 50/13 (CC), 98/13 (CC), 132/14 145/14, 83/2018, 31/2019 and 37/2019- other law and 9/20, the law governs the conditions and modalities of spatial planning and development, the development of general and detailed regulation plans, the development and use of construction land and the construction of facilities, predominant use of land when the land has multiple uses, public use of land and other issues of significance in the development of space, landscaping and use of construction land and the construction of facilities.

**The Law on legalization of structures**<sup>9</sup>. This law published in "Official Gazette of the RS ", No. 96/15 dated November 26, 2015, 83/18 and 81/20- CC ruling, codifies buildings, parts of buildings, auxiliary buildings and other buildings constructed without a building or construction permit and provides conditions, procedure and manner how to do so. The pattern of constructing houses, shops, even apartment buildings, or auxiliary structures (garage, additional floors on houses or rooms) without a construction permit became quite common in the past 50 years. Over the years the institutional intent to legalize all illegally constructed buildings, if constructed on own land and/or with consent of the owner, continued but most of the buildings have not yet been legalized. This law now imposes restrictions to title transfer for structures constructed without building permits. In line with Article 28, all structures subject to the formal process of legalization shall within 6 months be registered as such by the relevant cadastral authority together with the note that any commercial transaction in terms of transfer of title is forbidden.

**The Law on Extra-Judicial Proceedings**<sup>10</sup>. The law as published in the "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- other law) defines the rules by which

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<sup>6</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_javnoj\\_svojini.html](https://www.paragraf.rs/propisi/zakon_o_javnoj_svojini.html), last accessed October 9, 2019

<sup>7</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_osnovama\\_svojskopravnih\\_odnosa.html](https://www.paragraf.rs/propisi/zakon_o_osnovama_svojskopravnih_odnosa.html), ibid

<sup>8</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_planiranju\\_i\\_izgradnji.html](https://www.paragraf.rs/propisi/zakon_o_planiranju_i_izgradnji.html), ibid

<sup>9</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_ozakonjenju\\_objekata.html](https://www.paragraf.rs/propisi/zakon_o_ozakonjenju_objekata.html), last accessed October 9, 2019

<sup>10</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_vanparnicnom\\_postupku.html](https://www.paragraf.rs/propisi/zakon_o_vanparnicnom_postupku.html), last accessed October 9, 2019

courts decide on personal, family, property-related and other rights and legal interests, which are resolved in extra-judicial proceedings, pursuant to the Law. In accordance with 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. Participants may conclude an Agreement about type and amount of compensation, and the court will then base its decision on their agreement, if the court finds that the agreement is not contrary to mandatory regulations. Following ESS5 proclaimed standards and principles of resettlement, endorsed by this RPF in Chapter 1.4, RS institution in charge of the land acquisition process will be obliged to strive to reach a negotiated settlement with previous owners of property, in accordance with the Expropriation law prior to the administrative proceedings (as will be described in the next Chapter 2.2) or pursuant to this Law.

**The Law on Administrative procedures<sup>11</sup>**. The law in effect was adopted in 2016 ("Official Gazette of RS No18/16 and authentic interpretation of the law - 95/2018 - authentic interpretation") defines the rules and procedures to be applied by government authorities when deciding on rights, obligations or legal interests of individuals, legal persons or other parties, within the framework of administrative procedures. This Law administratively governs the expropriation process.

**The Law on State Survey and Cadaster<sup>12</sup>**. The Law on State Survey and Cadaster ("Official Gazette of the RS" No 72/2009, amended on 18/2010, 65/2013, 15/2015 – CC ruling, 96/15, 47/17, 113/17-other law, 27/18 – other law, 41/18 - other law and 9/20-other law) regulates the professional activities and affairs of the state administration related to land, buildings and other structures survey, real estate cadaster, records and registration of property, registration of possession, registration of illegal buildings and buildings legalized according to provision of the latest Building Legalization Law of RS, utilities cadaster, basic geodetic works, address register, topographic and cartographic activities, valuation of real estate, geodetic and cadastral information system.

**The Law on Housing and Maintenance of Residential Buildings<sup>13</sup>** governs accommodation of socially vulnerable people through the institute of «Housing Assistance». In compliance with this regulation, various types of housing assistance are envisaged to be provided by the Republic of Serbia, at all levels of the government, to all of its citizens without housing i.e. adequate housing in compliance with this law, and who, due to social, economic and other reasons are not able to satisfy their housing needs on the market, with their own resources. Aimed at achieving public interest in the area of housing, and pursuant to the National Housing Strategy and the Resettlement Plan passed by the Government of the Republic of Serbia, local self-government units (cities and municipalities) have to adopt their local housing strategies and Resettlement Plans for their implementation, through programs and projects i.e. various types of housing support activities aimed at solving housing problems for socially vulnerable people who fulfil the requirements set out by the legislation regulating entitlements to social assistance and who officially reside on their territory. It also prohibits forced eviction unless the legal requirements under the law are met. These would entail a court order, assessment of the household's social characteristics etc. Eviction during the pandemic is limited.

**The Law on Social Welfare<sup>14</sup>** guarantees to all citizens the right to various forms of

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<sup>11</sup> <https://www.paragraf.rs/propisi/zakon-o-opstem-upravnom-postupku.html>, ibid

<sup>12</sup> [https://www.paragraf.rs/propisi/zakon\\_o\\_drzavnom\\_premeru\\_i\\_katastru.html](https://www.paragraf.rs/propisi/zakon_o_drzavnom_premeru_i_katastru.html), last accessed October 9, 2019

<sup>13</sup> „Official Gazette of RS”, 104/16, 9/20

<sup>14</sup> „Official Gazette of RS”, no. 36/91, 79/91, 33/93, 53/93, 67/93, 46/94, 48/94, 52/96, 29/01, 84/04,115/05, 24/11

financial social assistance and social welfare services.

Within the legal system of the Republic of Serbia, there are also other laws granting assistance to vulnerable groups aimed at improving their living standard (health, education, employment, etc.) and used as a basis when defining basic rights within this Resettlement Plan. For example, the Constitution of the Republic of Serbia<sup>15</sup>, **Law on Elementary Education**<sup>16</sup> and **Law on Elementary Schools of the Republic of Serbia**<sup>17</sup> guarantee to all, under equal conditions, mandatory and free preschool and primary education (9 years – 1+8); **Law on Health Insurance of the Republic of Serbia**<sup>18</sup> provides to all vulnerable groups, especially Roma population, the right to free health protection; **Law on Employment and Unemployment Insurance of the Republic of Serbia**<sup>19</sup> envisages special measures targeting protection of the most vulnerable groups (including Roma), as well as the obligation of the National Employment Service to implement the active labour market programs and ensure implementation of affirmative action measures.

Exercising the above-mentioned rights, mainly the access to social protection, education, health and employment is closely linked to possession of personal documents – identity card, birth certificate, certificate of nationality and residence. Officially registered residence is a place where a citizen exercises the above-mentioned rights. For example, the right to services provided by the Centre for Social Protection is defined by the place of residence, where one should apply to receive social allowance, access to local schools for children and the local employment service, where he/she will register as unemployed

## 2.8. EBRD Performance Requirements

All EBRD supported projects involving involuntary resettlement are subject to PR 5 Land Acquisition, Involuntary Resettlement and Economic Displacement. The requirements describe the procedures and instruments for avoiding, or where avoidance is not possible minimizing and mitigating adverse economic and social impacts that may arise. The Policy is not only triggered in cases of physical relocation, but any loss of land resulting in relocation or loss of shelter, loss of assets or access to assets and loss of income sources and means of livelihood.

The overall objectives of EBRD PR 5 are to:

- a. Avoid or, when unavoidable, minimize, involuntary resettlement by exploring alternative project designs
- b. Mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to assets and land by: (i) providing compensation for loss of assets at replacement cost; and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected
- c. Restore or, where possible, improve the livelihoods and standards of living of displaced persons to pre-displacement levels
- d. Improve living conditions among physically displaced persons through the provision of adequate housing, including security of tenure at resettlement sites.

EBRD PR 5 distinguishes the following three categories of persons for eligibility for compensation and assistance:

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15 „Official Gazette of RS”, no.83/06

16 „Official Gazette of RS ”, no. 62/03, 58/04

17 „Official Gazette of RS”, no.50/92

18 „Official Gazette of RS ”,no. 1087/05, 109/05

19 „Official Gazette of RS”, no. 36/09

- a. Persons with formal rights to land (including customary and traditional rights recognized under the laws of the country).
- b. Persons who do not have formal rights to land at the time the census begins but have a claim to such land and assets - provided that such claims are recognized under the country laws or become recognized through a process identified in the specific resettlement plans.
- c. Persons without recognizable legal right or claim to the land they are occupying.

In addition to PR 5, another applicable Performance requirement is PR 10 Stakeholder Engagement. PR10 describes the requirements for timely and meaningful communication with stakeholders through all phases of the project cycle. Particularly it sets up the requirement for establishing a culturally appropriate grievance management procedure.

## 2.9. EIB Social Standards

The assessment of environmental and social impacts and risk, including their significance and materiality, as well as the development of adequate management plans and programmes are key tools for achieving sound environmental and social performance, which is why the Environmental and Social Standards have been developed. When EIB projects necessitate land acquisition, expropriation and/or restrictions on land use, resulting in the temporary or permanent resettlement of people from their original places of residence or their economic activities or subsistence practices the Standard 6 and 7 are triggered. Standard 6 is rooted in the respect and protection of the rights to property and to adequate housing, and of the standard of living of all affected people and communities. It seeks to mitigate any adverse impacts arising from their loss of assets or restrictions on land use. It also aims to assist all affected persons to improve or at least restore their former livelihoods and living standards and adequately compensate for incurred losses.

The objectives of the Standard are to:

- Avoid or, at least minimize, project-induced resettlement whenever feasible by exploring alternative project designs;
- Avoid and/or prevent forced evictions and provide effective remedy to minimize their negative impacts should prevention fail;
- Ensure that any eviction which may be exceptionally required is carried out lawfully, respects the rights to life, dignity, liberty and security of those affected who must have access to an effective remedy against arbitrary evictions;
- Respect individuals', groups' and communities' right to adequate housing and to an adequate standard of living, as well as other rights that may be impacted by resettlement;
- Respect right to property of all affected people and communities and mitigate any adverse impacts arising from their loss of assets, or access to assets and/or restrictions of land use, whether temporary or permanent, direct or indirect, partial or in their totality. Assist all displaced persons to improve, or at least restore, their former livelihoods and living standards and adequately compensate for incurred losses, regardless of the character of existing land tenure arrangements (including title holders and those without the title) or income-earning and subsistence strategies;
- Uphold the right to adequate housing, promoting security of tenure at resettlement sites;
- Ensure that resettlement measures are designed and implemented through the informed and meaningful consultation and participation of the project-affected people throughout the resettlement process.

- ESS7 seeks to protect all vulnerable project-affected individuals and groups, whilst seeking that these populations duly benefit from EIB operations. The standard requires that there is full respect for the dignity, human rights, aspiration, cultures and customary livelihoods of vulnerable groups including indigenous peoples. It requires the free, prior and informed consent of affected indigenous groups. ESS10 imposes the requirements for the full communication with stakeholders through all phases of the project cycle

#### 2.10. Gap Analysis Between Relevant National Legislation and EBRD PRs and EIB Social Standards

The objectives of EBRD PR 5 and EIB Standard 6 are clear in their aim to avoid involuntary resettlement caused by land acquisition measures wherever feasible and if not possible to apply such compensation principles for impacts on all PAPs and to restore their livelihoods at least to pre-project level. In general, the institutional framework for expropriation in Serbia is strong and broadly compatible with the EBRD PR/EIB Standard but there are some exceptions, especially related to the requirements to compensate at replacement cost for land vis-à-vis the national requirement of compensating land at market value without payment of taxes and fees as part of compensation package. Additionally, the national law does not recognize informal users, occupiers and informal settlers. It does not require a project specific grievance redress mechanism, a social impact assessment, gender disaggregated data and assistance to vulnerable persons.

The table below provides an overview of specific gaps between the national expropriation law vis-à-vis EBRD/EIB requirements and the recommendations to bridge the gaps. **Only gaps relevant for impacts identified under this RAP are presented.**

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
Resettlement instruments, census and social impact assessment	The only document prepared is the Expropriation impact study which includes recording of the land parcels required for the Project and identification of owners through the cadastre. There is no socio-economic assessment or baseline collected	Preparation of RAPs, socio-economic baseline assessment and census survey.	<p>RAPs, Census Survey and Socio-economic impact assessments shall be prepared in addition to the national requirements.</p> <p>The promoter is required to carry out a census and a socio-economic baseline survey to establish the number of people to be displaced, livelihoods affected, and property to be compensated. The surveys should take into account persons affected through anticipated cumulative impacts of the resettlement.</p> <p>RAPs to be publicly disclosed prior to commencement of project related land /assets acquisition</p>
Public consultations	The public in general is notified about the project through the process of general spatial or specific urban detailed plan	Meaningful consultations with affected persons and communities, local authorities, and, as appropriate, non-governmental organizations need to be carried out. All	The Project Promoter shall disclose and consult publicly on this document and every other individual resettlement instrument.

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
	<p>approvals and/or Environmental impact assessment. However, there is no requirement to consult the potential PAPs directly prior to the start of expropriation. There are no provisions on public discussions, census, socio-economic baseline assessment or any sort of involvement of stakeholders and communities potentially affected by the Project.</p>	<p>resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected. From the earliest stages and through all resettlement activities the client will involve affected citizens (men and women), including host communities. This will facilitate their early and informed participation in the decision-making processes related to resettlement.</p> <p>All relevant stakeholders must be given the opportunity for informed participation in resettlement planning with the goal that the mitigation of the adverse project impacts is appropriate and the potential benefits of resettlement are sustainable. Consultation will continue in accordance with Standard 10 on Stakeholder Engagement and during the implementation and monitoring of the resettlement process. In line with this, opportunities for dialogue and consultation must be extended effectively to the full</p>	<p>PAP's 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 EBRD and EIB requirements for Involuntary resettlement are fully met.</p> <p>Ensure that resettlement measures are designed and implemented through the informed and meaningful consultation and participation of the project-affected people throughout the resettlement process.</p>

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		spectrum of affected persons, paying particular attention to the full participation in the consultation process of women, vulnerable and marginalised groups, in accordance with Standard 7, and, where necessary, adopting additional/complementary special measures or procedures.	
Cut-off date for eligibility and census	The Law stipulates that the cut-off date for eligibility is the date when the property owner is informed in writing about the expropriation process.	Normally, the cut-off date is the date the 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. The Project Promoter is expected to carry out a detailed census to: (i) identify persons who will be displaced by the project; (ii) determine who will be eligible for compensation and assistance; and (iii) take inventory of affected land and property. The	Census and assets inventory in accordance with the PR 5/ESS6 requirements will be prepared for site specific RAPs. The cut-off will be the date of the start of the census. This will be publicly announced and published by the Beneficiary of Expropriation (BoE) in local newspapers. Owners and users will be informed 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

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		<p>census should consider the needs of seasonal resource users who may not be present in the project area during the time of the census.</p> <p>The cut-off date may also be the date of the project area delineation, prior to the census, but only following an effective and documented public information dissemination on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx. The promoter is required to carry out a census and a socio-economic baseline survey to establish the number of people to be displaced, livelihoods affected, and property to be compensated.</p>	<p>date will also be publicly disclosed, on notice boards in local communities 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.</p>
<p>Timing of compensation payments and taking possession of expropriated property</p>	<p>At the request of the BoE taking possession of the expropriated property can be allowed before the payment of compensation on the basis of public interest following the issue of the final decision on expropriation,</p>	<p>The compensation should be provided before construction work start and before taking possession of the assets.</p> <p>The promoter is required to have made the payment by check or deposited beforehand the agreed compensation (as per valuation</p>	<p>Taking possession over the affected property is possible only once the compensation is paid or a formal court process or grievance registered, and original</p>

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
	provided that the BoE defined the basis for compensation under the provisions of the Expropriation law. This is very frequently used.	undertaken) to an individual or joint account for the affected person's access.	compensation amount deposited on an escrow account or similar.
Resettlement of formal owners of immovable property (houses, including construction land) and those who do not have formal legal rights to land or property at the time of the census, but who have a claim to land that is recognized or recognizable under national laws	<p>Option 1: Cash compensation at market value + Moving costs (methodology for determination of moving cost is not defined in the law, but included in practice in the property evaluation reports.</p> <p>or</p> <p>Option 2: Compensation in kind - Appropriate replacement property is offered if the owner agrees to this type of compensation and if certain legal terms are met.</p>	<p>Resettlement - Replacement property is offered, of equal or higher value and similar traits + Moving and transitional allowance + Administrative and tax fees</p> <p>If appropriate replacement property cannot be found, cash compensation at replacement cost.</p> <p>Any person negatively affected by the project is eligible for compensation, livelihood restoration and/or other resettlement assistance. People with formal land title, land use rights, customary or traditional rights to the land as well as those who occupy/use the land but have no formal title for objective reasons are eligible for compensation for land. People who occupy the land but have no formal or informal claim to it, such as</p>	<p>Option 1: Cash compensation - at replacement costs as defined in PR 5 / ESS 6 will be paid to property owner: market price of property + moving costs + registration of ownership, administrative and tax fees + transitional allowance.</p> <p>or</p> <p>Option 2: Replacement property - will be possible only at owner's request and if legal terms are met, as defined by Law on Expropriation. In that case transitional and moving costs shall be paid to the property owner.</p>

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		squatters, shall be provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives of the resettlement standards laid out in this Standard, if they occupy the project area prior to a cut-off date established by the promoter and acceptable to the EIB.	
Additional assistance to PAPs after physical and/or economic resettlement, livelihood restoration	Only vague references to assistance without clear particular legal provisions	It is necessary to provide additional assistance during and after relocation. Regardless of the circumstances and without discrimination, the promoter will ensure that affected persons or groups identified in the census, especially those who are unable to provide for themselves, have, during and after resettlement, safe and secure access to: (a) essential food, potable water and sanitation; (b) basic shelter and housing; (c) appropriate clothing; (d) essential medical services; (e) livelihood and subsistence sources; (f) fodder for livestock and access to common property	Additional assistance to PAPs after physical and/or economic resettlement, livelihood restoration. The Promoter will identify the need for Livelihood restoration and prepare and implement a Livelihood Restoration Plan if needed. Such Plan will be prepared and agreed with the PAPs within 6 months after the land acquisition has been completed

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		resources previously depended upon; and (g) education for children and childcare facilities.	
Displacement of formal owners of agricultural land	<p>Appropriate (equal in value, quality, cultivation type, yield capacity and area) replacement land offered in the vicinity.</p> <p>But, the Law further defines that if appropriate land cannot be found (which is almost always the case) cash compensation at market value will be paid, as assessed by the tax authorities.</p>	<p>Displacement - Replacement property of equal or higher value and similar productivity + Administrative fees + Loss of income.</p> <p>Payment of cash compensation for lost assets may be appropriate if: (i) livelihoods are not land-based; (ii) livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual land is economically viable; or (iii) active markets for land, housing and labour exist, displaced persons use such markets, and there is sufficient supply of land and housing), compensation at full replacement costs is paid, including market price for property, moving costs, transitional allowance, and registration, administrative and tax fees.</p>	<p>If livelihood of property owner is agriculturally based, according replacement property should be offered + Moving and transitional allowance</p> <p>If appropriate land cannot be found, cash compensation at full replacement value will be paid: market price of property + moving costs + registration, administrative and tax fees + transitional allowance.</p>
Displacement of informal users of agricultural land (i.e. using	National legislation does not provide for transitional allowance	Project Promoter should offer options for adequate housing with security of tenure so that they can resettle legally without having to	The Project Promoter will, if possible, locate and offer to PAP replacement property - similar

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
state land for agriculture production without any rights)	<p>nor replacement land for lease, if land was leased from state.</p> <p>Property user 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 at market price and the time needed to reproduce them etc.</p>	<p>face the risk of forced eviction. Property user as an investor is entitled to cash compensation for any improvements made on the land e.g. irrigation, drainage, perennial crops, objects etc. at replacement cost, and support after displacement for a transition period to restore livelihood.</p>	<p>state-owned agricultural land for lease in the vicinity, or if that is not possible, in the same municipality.</p> <p>Property user is entitled to cash compensation at replacement cost for any improvements made on the land, such as irrigation, drainage, perennial crops, objects, woods, trees, fruit bearing trees, vineyards - market price + labour and time needed to reproduce them + transitional allowance.</p>
Displacement of the lessee of agricultural land	<p>The lessee 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.</p>	<p>The lessee 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, lost net income during the period of transition; and the costs of the transfer and reinstallation of the plant, machinery or other equipment, as applicable,</p>	<p>National 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, and Project Promoter will coordinate efforts with Ministry of agriculture to find and offer</p>

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		and support after displacement for a transition period to restore livelihood.	corresponding public owned agricultural land for lease. Compensation for all investments will be paid + moving costs if applicable + transitional allowance which will bridge the gap between RS laws and PR 5.
Loss of a community commonly held resources (i.e. rangeland and pasture, non-timber forest resources)	No particular legal provision	Project Promoter needs to assist in offset of any loss of a community's commonly held resources. This could take the form of initiatives that enhance the productivity of the remaining resources to which the community has access, in-kind or cash compensation for loss of access or provision of access to alternative sources of the lost resource.	The Project Promoter will bridge this gap by giving attention to commonly held community resources during social impact assessment and in any RAP. If applicable, appropriate measures will be included. The Project Promoter will fully adopt all PR 5 ESS6 policies and provisions.
Loss of public amenities	No particular legal provision	Project Promoter shall undertake meaningful consultation with the locally affected community to identify and, where possible, agree upon a suitable alternative.	The Project Promoter will bridge this gap by giving attention to public amenities during social impact assessment and in this and any subsequent RAP. There are

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
			currently no project affected public amenities.
Loss of benefits (salary or other similar income)	No particular legal provision	Cash compensation for net loss of income during the period of resettlement + provide additional targeted assistance (credit facilities, training or job opportunities) and opportunities to restore, and where possible improve, their income-earning capacity, production levels and standards of living.	The RAP shall consider transitional payment to compensate net loss of income during the reasonable transitional period and include additional targeted assistance (credit facilities, training or job opportunities) and opportunities to restore, and where possible improve, their income-earning capacity, as a way to bridge the gap. Impacts to one warehouse and sales space has been identified.
Grievance mechanism and dispute resolution	The Law prescribes the possibility of appealing throughout expropriation phases but only within the existing state and court institutions and with statutory limits.	The Project Promoter will establish an effective grievance mechanism as early as possible in the Project. It will be consistent with this PR and with the objectives and principles of EBRD Performance Requirements 10 in order to receive and address in a timely fashion specific concerns	Appropriate, accessible and affordable grievance mechanism shall be established in addition to legal rights of PAPs to claim protection in proper court of RS. Structure of proposed grievance

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards s
		<p>about compensation and relocation that are raised by displaced persons and/or members of host communities. It will include a recourse mechanism designed to resolve disputes in an impartial manner.</p> <p>The promoter shall set up and maintain a grievance mechanism that is independent, free and in line with the requirements set out in EIB Standard 10 and that will allow prompt addressing of specific concerns about compensation and relocation from the affected people and host communities and other directly involved entities. The mechanism should be easily accessible, culturally appropriate, widely publicised, and well-integrated in the promoter’s project management system. It should enable the promoter to receive and resolve specific grievances related to compensation and relocation by affected persons or members of host communities, and use the grievance log</p>	<p>mechanism is provided in chapter 7 of this RAP.</p>

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		to monitor cases and improve the resettlement process.	
Monitoring of resettlement and livelihood restoration implementation	No particular legal provision	Monitoring of the resettlement and livelihood restoration process will be carried out in accordance with EBRD Performance Requirements 1 and EIB ESS 1 and should involve the participation of key stakeholders such as affected communities. Depending on the scale of a project's resettlement, it may be appropriate for the client to commission an external completion report of the RAP to determine that the provisions have been met. The completion report should be undertaken after all inputs in the process, including any developmental initiatives, have been completed. The report may identify further actions to be completed by the Project Promoter. In the majority of cases, the completion of corrective actions identified by the completion report should bring the Project Promoter obligations for resettlement, compensation, livelihood	This RAP defines the plan of monitoring and reporting on the resettlement process and mitigation of adverse effects of the Project.

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		<p>restoration and development benefits to a close.</p> <p>The overall objective of this Standard is to outline the promoter’s responsibilities in the process of assessing, managing and monitoring environmental and social impacts and risks associated with the operations.</p> <p>The promoter’s obligations to implement a RAP and to report to the EIB on implementation progress will be provided for in the project’s legal agreements. The promoter shall set up necessary systems (i.e. resources, staff, and procedures) to monitor the implementation of a RAP on a regular basis and take corrective action as necessary. Affected persons will be consulted as part of the monitoring activities. The implementation and effectiveness of the resettlement action plan shall be subject to monitoring and review by qualified resettlement specialists and/or other independent third parties as</p>	

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards
		appropriate and commensurate to the scale and risks involved in the resettlement.	
Vulnerable groups	Compensation for expropriated property can be determined in a higher amount than the market price, considering financial and other personal and household characteristics of the owner, if such characteristic substantially influence the 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>The Project Promoter will consider any individuals or groups that may be disadvantaged or vulnerable. In particular, the Project Promoter will take necessary actions to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed and aware of their rights, and are able to benefit equally from the resettlement opportunities and benefits. These groups should be identified through the process of environmental and social assessment (as outlined in EBRD Performance Requirement 1). Also, additional requirements apply to consultations which involve individuals belonging to vulnerable groups</p> <p>EIB Social Standard 7 sets out to avoid or minimise, or otherwise mitigate and remedy, potential harmful effects of EIB operations to vulnerable individuals and groups whilst</p>	<p>The Project Promoter will bridge this gap by giving special attention to vulnerable group and individuals. They will be offered additional compensation, legal assistance during resettlement and help during physical relocation, as well as priority of employment as appropriate and assessed during the social impact assessment for any RAP. The Project Promoter will fully adopt all PR 5 and ESS7 policies and provisions regarding vulnerable groups.</p> <p>A gender-sensitive approach to the management of social impacts is adopted, that takes into account the rights and interests of women and</p>

Action	RS legal requirements	PR /Standard requirements	Gaps and measures for bridging the gaps to meet EBRD/EIB standards s
		<p>seeking that these populations duly benefit from such operations. As a means to foster those project outcomes, Standard 7 proposes a framework and tools to address inequalities and other factors contributing to vulnerability, and, as appropriate, to allow for equal access to and enjoyment of project benefits for those individuals and group.</p>	<p>girls, men and boys, including specific attention to the differentiated burden of impacts that women and girls might face.</p>

### 3 INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION TEAM

#### 3.1. Responsibility for Implementation

The Resettlement Action Plan will be implemented by Koridori Srbije d.o.o (KSDOO).

The table below provides an overview of the responsibilities and arrangements for implementing the requirements of this RAP.

**Table 2 Organizational Responsibilities and Arrangements**

Task	Responsible Entity
Disclosure of information and documents to all Project Affected Persons and communities, and organization of public meeting	KSDOO
Keeping records of consultation activities	KSDOO
Direct communication with and, if needed, visits to owners and occupants	KSDOO
Valuation of property to be acquired	City Tax administration office and accredited Court evaluator
Expropriation of property	PE ROADS OF SERBIA
Payment of compensation including transitional and moving allowance	PE ROADS OF SERBIA
Providing in kind relocation and transitional assistance	KSDOO
Monitoring and reporting with respect to land acquisition	KSDOO
Monitoring and reporting with respect to temporary land occupation carried out during construction	Contractor, External consultant /Technical Assistance Consultant assisting KSDOO in implementation of the Project Grievance Commission
Grievance management	Grievance Commission and KSDOO
Completion Report	External consultant /Technical Assistance Consultant assisting KSDOO in implementation of the Project

#### 3.2. Institutional Capacities

Koridori Srbije d.o.o. will be implementing the Project on behalf of the Republic of Serbia who will be the Borrower to the Loan Agreements signed with EBRD. Koridori Srbije d.o.o. are ultimately responsible for implementation of the EBRD/EIB Social Requirements during the pre-construction and construction phase.

Koridori Srbije d.o.o. have a well-structured organization implementing IFI supported Projects since 2009. The Company has currently 124 Employees with clearly defined roles within the structure. The Land acquisition and resettlement sector employs more the 10 experts experienced in land acquisition and resettlement processes in line with good practice and IFI requirements, stakeholder

engagement and dispute avoidance. Individual responsibilities within the sector itself will be assigned separately and included in future information packages. The sector will be responsible for overseeing compliance with E&S commitments and compliance towards the RPF and this RAP. The Organizational chart is presented below with the key relevant sectors highlighted.

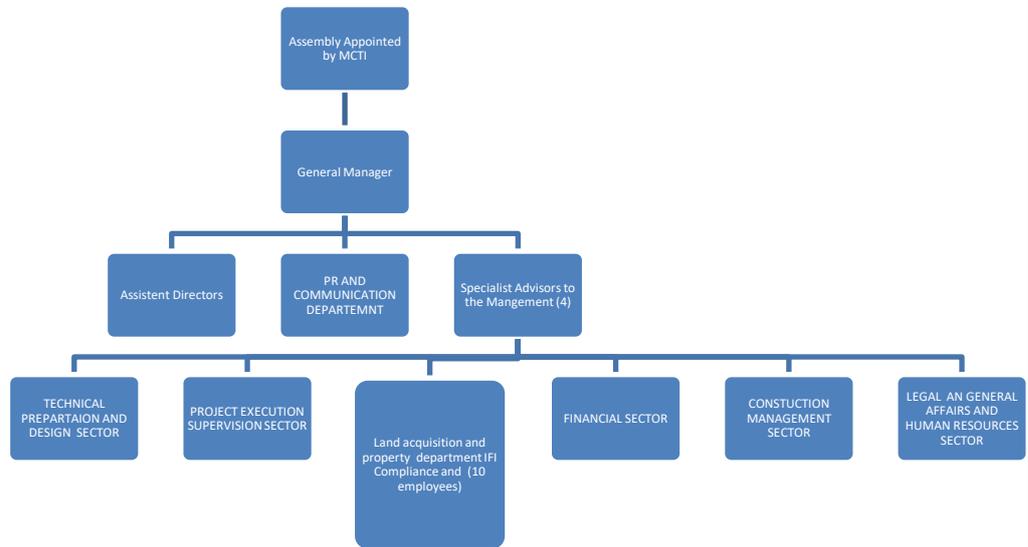


Figure 2 The Organizational chart of KSDOO

## 4 LOCAL CONTEXT AND THE DEMOGRAPHIC CHARACTERISTICS OF THE PROJECT AREA (MUNICIPALITIES OF MEROŠINA AND PROKUPLJE)<sup>20</sup>

### 4.1. Data on cadastre municipalities

Based on the preliminary design and geodetic survey conducted, complemented by field verification and confirmation from the cadastre, the Project execution will require permanent acquisition of land by using eminent domain power and expropriation in the total area of approximately 398.4 ha of different types of land, represented in 3420 land parcels and 72 physical structures in both municipalities Merošina and Prokuplje the direct area of influence. The land record in Serbia is kept by cadastral municipalities (CM) and the impacts of land acquisition are spread over 28 CM whilst resettlement is occurring in 13 CM. The inventory of CM per type of impact is presented in table below.

**Table 3: Overview of impacted Cadastral Municipalities by land acquisition along all 4 sections**

Cadastral Municipality (Municipality of Merosina) Section I (A)	No. of Parcels (B)	Cadastral Municipality (Municipality of Prokuplje) Section II, III and IV	No. of Parcels (D)	Cadastral Municipality	No. of Parcels (E)
Balajnac	240	Nova Božurna	68	Donja Toponica	20
Gradište	212	Pojate	31	Mala Plana	58
Brest	94	Djurovac	35	Drenovac	119
Merošina	26	Donja Stražava	123	Prekadin	16
Baličevac	627	Prokuplje grad	81	Bresnicic	228
Lepaja	3	Prokuplje	312	Kondzelj	136
Jug Bogdanovac	37	Bela voda	105	Donja Konjusa	72
Arbanasce	259	Tulare	210	Vica	69
<b>TOTAL SECTION I</b>	<b>1,498</b>	Potočić	<b>261</b>	Gubetin	<b>120</b>
<b>TOTAL SECTION II, III and IV</b>					<b>2064</b>

### 4.2. Local Context and Demographic Characteristics and Processes

E-80 Highway in Serbia (SEETO Route 7): Nis (Merošina) to Pločnik (Beloljin) passes through two municipalities, Merošina and Prokuplje. Both municipalities are experiencing a decline in population in the last half a century, of which Merošina more than a quarter. Among the

<sup>20</sup> This is a generic section for both Municipalities and is replicated here to provide overview on demographics characteristics.

settlements along the new route, in Merošina the number of citizens has declined in every settlement, except in the municipality centre where the number of inhabitants has increased by over 40%.

In Prokuplje, the population increase has been concentrated within urban areas i.e. the municipality centre and nearby village settlements on the periphery of the municipality Centre (Donja Strazava, Bela Voda, Djurovac).

There are two dominating factors in population number changes in this area as well as Serbia in its entirety. Population increase is solely limited to municipality centres (regardless of village or city status) and to its immediate vicinity through the growth of nearby village settlements. Villages often experience expansion without adequate planning, with agricultural land hosting houses, communally and infrastructurally unfit. Remote villages are losing population and are slowly shutting down.

**Table 4: Comparative overview of the number of populations in 1971 and 2011**

Area	Year 1971	Year 2011
<b>Municipality of Merošina</b>	18028	13936
<b>Rural area</b>	18028	13936
C.M. Balajnac	1333	1254
C.M. Gradište	736	559
C.M. Brest	680	547
C.M. Merošina	690	905
C.M. Baličevac	1322	1141
C.M. Lepaja	825	600
C.M. Jug Bogdanovac	606	493
C.M. Arbanasce	733	513
<b>Municipality of Prokuplje</b>	57315	44419
<b>Urban area</b>	20104	27333
<b>Rural area</b>	37211	17086
C.M. Nova Božurna	273	227
C.M. Ćukovac	457	278
C.M. Pojate	n/a	n/a
C.M. Djurovac	89	129
C.M. Donja Stražava	315	799
C.M. Prokuplje	20104	27333
C.M. Bele Vofe	176	259
C.M. Gubetin	402	161
C.M. Potočić	554	420

Area	Year 1971	Year 2011
C.M. Donja Toponica	539	299
C.M. Mala Plana	830	558
C.M. Drenovac	133	173
C.M. Prekadin	398	118
C.M. Bresničić	576	237
C.M. Kondželj	268	155
C.M. Donja Konjuša	725	246
C.M. Viča	188	63
C.M. Tulare	649	262

Source: 2011 Census of Population, Households and Dwellings in the Republic of Serbia. Comparative Overview of the Number of Population in 1948, 1953, 1961, 1971, 1981, 1991, 2002 and 2011. Data by settlements. Book 20. Belgrade 2014. (pages 118, 136, 138)

A number of households has been decreasing slowly compared to the number of inhabitants for two reasons. The primary reason is separation of generations and establishment of separate households independently from parental homes in the same or different settlement. The second reason is the continued existence of old-aged households with just one or two members most commonly with both aged over 65 years. (See tables 3 and 4)

**Table 5: Comparative overview of the number of households in 1971 and 2011**

	Year 1971	Year 2011
<b>Municipality of Merošina</b>	4060	4046
<b>Rural area</b>	4060	4046
C.M. Balajnac	298	306
C.M. Gradište	168	157
C.M. Brest	149	145
C.M. Merošina	156	243
C.M. Baličevac	257	305
C.M. Lepaja	194	176
C.M. Jug Bogdanovac	140	147
C.M. Arbanasce	167	151
<b>Municipality of Prokuplje</b>	15543	15119
<b>Urban area</b>	5936	8837
<b>Rural area</b>	9607	6282
C.M. Nova Božurna	74	73
C.M. Ćukovac	99	91

	Year 1971	Year 2011
C.M. Pojate	n/a	n/a
C.M. Djurovac	26	36
C.M. Donja Stražava	73	233
C.M. Prokuplje	5936	8837
C.M. Bela Voda	43	80
C.M. Gubetin	105	57
C.M. Potočić	146	153
C.M. Donja Toponica	148	122
C.M. Mala Plana	211	193
C.M. Drenovac	39	65
C.M. Prekadin	121	51
C.M. Bresničić	170	96
C.M. Kondželj	73	54
C.M. Donja Konjuša	198	93
C.M. Viča	57	27
C.M. Tulare	198	105

*Source: 2011 Census of Population, Households and Dwellings in the Republic of Serbia. Comparative Overview of the Number of Households in 1948 -2011. and Dwellings in 1971 – 2011. Data by settlements. Book 21. Belgrade 2014. (pages 214, 254, 250)*

Aging of Serbia's population is rapid, particularly affecting rural areas. The average age of citizens in Merošina municipality is 44.3 years according to the 2011 census, and in rural areas in Prokuplje municipality was a staggering 47 years. There is no doubt that the upcoming census in 2021 will determine a rise in average age particularly in rural areas.

In Merošina municipality, five out of eight observed villages on the Highway route have an aging index above 1 (numerical ratio of contingents ages 0 to 19 and numerical ratio of contingents ages 65 and over) which indicates extremely old age of local communities. Out of 16 villages in Prokuplje municipality, an aging index over 1 was recorded in 9 of them as per the data from Census 2011.. The current aging index is without doubt much higher.

*Table 6: Age structure of population 2011*

<b>Area</b>	<b>Total</b>	<b>Up to 19</b>	<b>20-49</b>	<b>50 - 64</b>	<b>65 and over</b>	<b>Average age</b>
<b>Municipality of Merosina</b>	13968	2827	4980	2927	3234	44,3
<b>Rural area</b>	13968	2827	4980	2927	3234	44,3
C.M. Balajnac	1254	351	456	224	223	39,5
C.M. Gradište	559	115	195	127	122	44,4
C.M. Brest	547	108	183	144	112	44,8
C.M. Merošina	905	182	357	194	172	42,3
C.M. Baličevac	1141	221	443	215	262	44,1
C.M. Lepaja	600	106	220	125	149	45,8
C.M. Jug Bogdanova	493	115	168	115	95	42,4
C.M. Arbanasce	513	89	183	118	123	45,9
<b>Municipality of Prokuplje</b>	44419	9495	16823	985	8316	42,3
<b>Urban area</b>	27333	6358	11454	5930	3591	39,4
<b>Rural area</b>	17086	3137	5369	3855	4725	47,0
C.M. Nova Božurna	227	30	101	49	47	44,2
C.M. Čukovac	278	51	102	66	59	44,1
C.M. Pojate						
C.M. Djurovac	129	33	46	28	22	41,9
C.M. Donja Stražava	799	174	336	183	106	40,3
C.M. Prokuplje	27333	6358	11454	5930	3591	39,4
C.M. Bela Voda	259	57	95	55	52	43,4
C.M. Gubetin	161	20	45	48	48	50,6
C.M. Potočić	420	67	149	93	111	46,2
C.M. Donja Toponica	299	43	89	81	86	48,8
C.M. Mala Plana	558	117	218	113	110	42,2
C.M. Drenovac	173	36	55	46	36	43,5
C.M. Prekadin	118	12	35	35	36	51,7
C.M. Bresničić	237	38	74	51	74	49,1
C.M. Kondželj	155	33	56	33	33	43,5
C.M. Donja Konjuša	246	49	83	50	64	46,1
C.M. Viča	63	9	14	20	20	51,3

Area	Total	Up to 19	20-49	50 - 64	65 and over	Average age
C.M. Tulare	262	37	73	70	82	51,3

Source: 2011 Census of Population, Households and Dwellings in the Republic of Serbia. Age and Sex. Data by settlements. Book 2. Belgrade 2012. (pages 486, 578, 568)

The average number of household members in the Merošina municipality is 3.45. Participation of single and two-member households (17,7% and 23,6%) is relatively high. We assume that these are mostly old-aged households. However, there is a relatively high participation of households with 5 and more members (30.0%). Amongst them there are multi-generational households, which somewhat alleviates the elderly solitude and two-member household problem provides at least the minimal amount of social protection and elderly care. Among the observed settlements there is a lot of them where more than 50% of households are without members aged less than 65 years. Such households are in complete social (institutional) isolation as well as traffic remoteness and are deprived of basic social and medical services. In Prokuplje, almost 60% of households consist of 1 member (28.1%) or 2 members (31.2%). The majority of these households are elderly households.

**Table 7: Households According to the Number of Members 2011**

Area	Total	One member	Two members	Three and Four members	Five members and over	Average number
<b>Municipality of Merošina</b>	4046	717	957	1156	1216	3,45
	100,0%	17,7%	23,6%	28,6%	30,0%	
<b>Rural area</b>	4046	717	956	1156	1216	3,45
C.M. Balajnac	306	43	56	67	140	4,10
C.M. Grdište	157	32	33	37	55	3,56
C.M. Brest	145	15	37	37	56	3,77
C.M. Merošina	243	27	47	93	76	3,72
C.M. Baličevac	305	42	58	103	102	3,74
C.M. Lepaja	176	36	40	44	56	3,41
C.M. Jug Bogdanovac	147	32	32	38	45	3,35
C.M. Arbanasce	151	29	38	38	46	3,40
<b>Municipality of Prokuplje</b>	15119	3272	4075	5300	2472	2,93
<b>Urban area</b>	8837	1509	2117	3782	2472	3,08
<b>Rural area</b>	6282	1763	1958	1518	1043	2,72
	100,0%	28,1%	31,2%	24,2%	16,6%	
C.M. Nova Božurna	73	14	20	24	15	3,11
C.M. Ćukovac	91	23	22	21	25	3,05
C.M. Pojate						
C.M. Djurovac	36	7	9	10	10	3,58

Area	Total	One member	Two members	Three and Four members	Five members and over	Average number
C.M. Donja Stražava	233	28	48	104	63	3,43
C.M. Prokuplje	8837	1509	2117	3782	1429	3,08
C.M. Bela Voda	80	10	25	23	22	3,24
C.M. Gubetin	67	19	28	12	8	2,10
C.M.Potočić	153	39	48	45	21	2,75
C.M.Donja Toponica	122	37	40	33	12	2,45
C.M. Mala Plana	193	46	50	66	31	2,89
C.M. Drenovac	65	13	26	18	8	2,66
C.M. Prekadin	51	22	13	9	7	2,31
C.M. Bresničić	96	29	34	23	10	2,47
C.M. Kondželj	54	11	13	22	8	2,87
C.M.Donja Konjuša	93	29	27	21	16	2,65
C.M. Viča	27	10	10	4	3	2,33
C.M. Tulare	105	33	32	30	10	2,50

*Source: 2011 Census of Population, Households and Dwellings in the Republic of Serbia. Households According to the Number of Members. Data by settlements. Book 10. Belgrade 2013. (pages 121, 137,135)*

Demographic and social development might be indirectly monitored via the housing fund. In both observed municipalities, since 1971 a large discrepancy between the total number of dwellings and dwellings permanently inhabited has constantly been recorded. In both municipalities, that discrepancy has been reduced in the last forty years but prevalently in municipal centres. This is not characteristic of villages in these municipalities.

**Table 8: Comparative overview of the number of dwellings for permanent habitation in 1971 and 2011**

Area	Year 1971 Dwellings permanent habitation	Year 1971 Total number of dwellings	Year 2011 Dwellings permanent habitation	Year 2011 Total number of dwellings
<b>Municipality of Merošina</b>	4031	5881	5148	5955
<b>Rural area</b>	4031	5881	5148	5995
C.M. Balajnac	296	425	372	427
C.M. Gradište	164	221	202	221
C.M. Brest	146	218	174	218
C.M. Merošina	155	275	290	307
C.M. Baličevac	257	396	418	442
C.M. Lepaja	194	246	211	249
C.M. Jug Bogdanovac	135	190	176	187
C.M. Arbanasce	165	204	162	172
<b>Municipality of Prokuplje</b>	14868	22608	20520	22898
<b>Urban area</b>	5344	10019	10606	10882
<b>Rural area</b>	9524	12589	10014	12016
C.M. Nova Božurna	74	96	76	79
C.M. Ćukovac	98		107	109
C.M. Djurovac	26	72	67	68
C.M. Donja Stražava	70	225	270	270
C.M. Prokuplje	5344	10019	10606	10882
C.M. Bela Voda	43	82	111	111
C.M. Gubetin	104	165	138	162
C.M. Potočić	146	229	213	224

Area	Year 1971 Dwellings permanent habitation	Year 1971 Total number of dwellings	Year 2011 Dwellings permanent habitation	Year 2011 Total number of dwellings
C.M. Donja Toponica	147	190	185	190
C.M. Mala Plana	210	286	253	285
C.M. Drenovac	39	83	93	106
C.M. Prekadin	121	160	102	140
C.M. Bresničić	170	243	173	244
C.M. Kondželj	73	90	86	111
C.M. Donja Konjuša	198	206	141	224
C.M. Viča	57	83	75	78
C.M. Tulare	193	302	175	252

Source: 2011 Census of Population, Households and Dwellings in the Republic of Serbia. Comparative Overview of the Number of Households in 1948 - 2011. and Dwellings in 1971 – 2011. Data by settlements. Book 21. Belgrade 2014. (pages 215, 255, 251)

According to the 2011. Census, in the municipality of Merosina, two thirds of the housing fond were permanently inhabited dwellings, although this increment is much lower in rural areas. (51.7%). When comparing Table 7a column 3: Dwelling for permanent habitation and data from Table 7b column 2- Occupied dwellings, we see that only 77.4% of dwellings in Merošina declared as Dwelling for permanent habitation in reality is used for permanent housing, while in rural settlements in the municipality of Prokuplje, that number is 62%. In conclusion, in both municipalities the number of dwellings declared as Dwellings for permanent habitation which are de facto currently not being used and are abandoned or empty is proportionately high.

**Table 9: Dwellings for permanent housing according to the occupancy status 2011**

Area	Total	Occupied	Temporarily unoccupied or abandoned	Used occasionally
<b>Municipality of Merošina</b>	5955 / 100,0%	3984 / 66,9%	1164 19,5%	795 / 13,4%
<b>Rural area</b>	5955	3984	1164	795
Balajnac	427	286	86	55
Gradište	221	157	45	19

Area	Total	Occupied	Temporarily unoccupied or abandoned	Used occasionally
Brest	184	141	33	10
Merošina	307	241	49	14
Baličevac	442	305	113	24
Lepaja	249	176	35	38
Jug Bogdanovac	187	142	34	8
Arbanasce	172	149	13	10
<b>Municipality of Prokuplje</b>	<b>22898 /100,0%</b>	<b>14814 /64,7%</b>	<b>5806 / 25,4%</b>	<b>2237 / 9,8%</b>
<b>Urban area</b>	<b>10822 /100,0%</b>	<b>8602 / 79,5%</b>	<b>2004 / 18,5%</b>	<b>249 / 2,3%</b>
<b>Rural area</b>	<b>12016 /100,0%</b>	<b>6212 / 51,7%</b>	<b>3802 / 31,6%</b>	<b>1988 / 16,5%</b>
Nova Bozurna	79	73	3	3
Cukovac	109	91	16	2
Djurovac	68	36	31	1
Donja Stražava	270	233	37	0
Prokuplje	10822	8602	2004	249
Bela Voda	111	80	31	0
Gubetin	162	66	72	24
Potočić	224	152	61	10
Donja Toponica	190	122	63	5
Mala Plana	285	184	69	32
Drenovac	106	65	28	12
Prekadin	140	50	52	38
Bresičić	244	95	78	71
Kondželj	111	50	36	25
Donja Konjuša	224	92	49	78
Viča	78	26	49	196
Tulare	252	103	72	77

Source: 2011 Census of Population, Households and Dwellings in the Republic of Serbia. Number and Floor Space of Housing Units. Data by settlements. Book 22. Belgrade 2013. (pages 378, 450, 442)

According to the Republic bureau of statistics, the average net salary in June 2020 at national level was recorded at 59.740 RSD (approx. 506 EUR) while the employees in Merošina are among the lowest paid employees in Serbia at 43.023 (approx. 365 EUR), while that amount in Prokuplje was 49.736 RSD (approx.421 EUR).

Announcements might be found online advertising the sale of houses in Merošina or nearby villages. E.g. registered houses of 100m<sup>2</sup> for 20.000 EUR in Balajnac; of 140 m<sup>2</sup> for 46.000 EUR on Mramorsko Brdo; of 174 m<sup>2</sup> for 25.000 EUR; of 800 m<sup>2</sup> for 150.000 EUR in Batusinac; of 400 m<sup>2</sup> for 82.000 EUR; of 74 m<sup>2</sup> for 19.900 EUR I of 134 m<sup>2</sup> for 25.000 EUR, both on Oblacinsko jezero. We found just one ad for land sale; lot of 10.000m<sup>2</sup> for 99.000 EUR of construction land in an industrial area.

In the city of Prokuplje, prices vary from 300 EUR per m<sup>2</sup> to 500-600 EUR per m<sup>2</sup>. (new uninhabited house of 220m<sup>2</sup> for 100.000 EUR; house with central heating of 300m<sup>2</sup> for 95.000 EUR; house of 375 m<sup>2</sup> for 80.000 EUR; house of 148 m<sup>2</sup> for 30.000 EUR).

The prices in villages are lower: house of 53 m<sup>2</sup> in Zdravinje for 10.000 EUR; house of 64 m<sup>2</sup> in Pasjaca for 20.000 EUR. The number of lots for sale is greater: Forest land 135.000m<sup>2</sup> for 25.000 EUR; 28.000m<sup>2</sup> lot for 20.000 EUR; 50.000m<sup>2</sup> lot and house for 35.000 EUR; a field in Beloljin of 5.100m<sup>2</sup> for 1650 EUR; village household with 60.000m<sup>2</sup> house and auxiliary object for 45.000 EUR.

## 5 AFFECTED PEOPLE AND PROJECT IMPACTS

### 5.1. Overview of project impacts

For development of this Project i.e. for the part of the alignment passing through the Municipality of Prokuplje – Section 2, 3 and 4, the following impacts have been identified:

- Permanent acquisition of land by using eminent domain power and expropriation in the total area of 1,741,942 m<sup>2</sup> of land in private property
- Administrative transfer of public land in the area of 577,343 m<sup>2</sup>

**Table 10: Overview of affected land plots by type of ownership and area**

Ownership / co-ownership <sup>21</sup>	Number and percent of ownership over land plots affected by expropriation		Area m <sup>2</sup>
Private	<b>1,622</b>	<b>75,10%</b>	1,741,942
Public*	<b>113</b>	<b>7,42%</b>	172,294
Co-owned Public private	<b>329</b>	<b>17,48%</b>	405,049
Total	<b>2,064</b>	<b>100,0%</b>	2,319,285

\* 329 parcels are co-owned by private persons and the Republic of Serbia, the latter owning majority of area. Data are presented based on the information made available by PE Roads of Serbia

**Table 11: Data on PAPs (private owners) affected by expropriation**

Description	Affected by permanent land acquisition
Total number of private land parcels	1,622
Total number of sole private owners	1,163
Number of land parcels with multiple private co-owners and private -public co-owners	779
Number of and private co-owners	459

**Table 12: Overview on pattern of impacts**

Description	Number of parcels	m <sup>2</sup>
Total impacted by expropriation	2,064	2,319,285
Average area expropriated from private owners	n/a	1,074
Average area expropriated from co-owners	n/a	1,293

<sup>21</sup> These are already included in the aggregate total number of 442 land parcels

Description	Number of parcels	m2
Average area expropriated from a single owner	n/a	971
Smallest area expropriated from a single owner	n/a	1,0
Largest area expropriated from a single owner	n/a	19.244*
Land loss between 0-100	295	12,742
Land loss between 101-1000	1,078	520,967
Land loss between 1001-5000	630	1,242,822
Land loss over 5000	61	542,754

- *This parcel is owned by six co-owners.*

**Table 9: Overview by land use patterns**

Type of land affected	%
Fertile field	35,9%
Unfertile	15,6%
Meadows (other than grazing land)	10,3%
Orchards	15,0%
Woodlands	2,0%
Other (land classified as construction land not hosting any structures)	21,2%
Total	100,0%

## 5.2. Census/Inventory

The Census/Inventory of all PAPs and asset survey was developed in order to gather and analyses data and information required to identify all categories of impacts, the Project Affected Persons (PAPs) directly affected by land acquisition (owners of affected land plots) and loss of assets. The Survey included those PAPs who could accept participation.

The Census contains data on the following:

- (i) Location and Cadastral Municipality,
- (ii) LN Cadastre number
- (iii) Land plot number
- (iv) Type of impact
- (v) Name of PAP (cadastral owner (as registered) current de facto owner, successor or user),
- (vi) Total area of land owned by owner household (m2).
- (vii) Total area of land to be affected (m2)
- (viii) Type of asset on land affected including a detailed evaluation of structures and detailed inventory of annual and perennial crops.
- (ix) Other information relevant for individual cases.

The Socio-economic Questionnaire used for development of the RAP is provided in Annex 3.

Full inventory of assets and attributable compensation is provided in a separate spreadsheet and appended to the RAP. The spreadsheet will not be part of the disclosure package as it contains personal information. It is available as a separate file to be kept as record.

### 5.3. Socio-economic Survey in the Municipality of Prokuplje

The alignment impacts 18 cadastral municipalities (CM) in the Municipality of Prokuplje. Table 10 provides an overview of the number of land parcels affected by land acquisition and the Cadastral Municipalities it impacts, while the one below shows impacts across the Cadastral Municipalities relevant to the total number of land parcels and total area

**Table 15: The number of impacted plots within cadaster municipalities**

Cadastral Municipality (Municipality of Prokuplje) Section II, III and IV	No. of Parcels (D)	Cadastral Municipality	No. of Parcels (E)
Nova Božurna	<b>68</b>	Donja Toponica	<b>20</b>
Pojate	<b>31</b>	Mala Plana	<b>58</b>
Djurovac	<b>35</b>	Drenovac	<b>119</b>
Donja Stražava	<b>123</b>	Prekadin	<b>16</b>
Prokuplje grad	<b>81</b>	Bresnicic	<b>228</b>
Prokuplje	<b>312</b>	Kondzelj	<b>136</b>
Bela voda	<b>105</b>	Donja Konjusa	<b>72</b>
Tulare	<b>210</b>	Vica	<b>69</b>
Potočić	<b>261</b>	Gubetin	<b>120</b>
<b>TOTAL SECTION II, III and IV</b>		<b>2064</b>	

The number of plots is not the same as the number of PAPs. One owner can have several plots that are subject to expropriation. Also, one plot can be co-owned by two or more owners. A special problem in establishing communication with PAPs is that a large number of PAPs do not have a permanent residence in the cadastral municipality where the expropriated parcel is located. It is almost impossible to reach these owners, because we do not know the place of their permanent residence, and very restrictive field work conditions made it impossible for us to get information about these owners (addresses and mobile phone numbers) from neighbors from the settlement where the expropriated plot is located.

The number of identified owners with whom the survey was conducted by cadastral municipalities is given in the table below:

**Table 106: Number of surveyed owners in cadaster municipalities**

Cadaster municipality	Number of surveyed owners	%
Bela Voda	6	1,5
Bresničić	11	2,8
Cukovac	53	13,3
Donja Konjuša	1	0,3
Donja Stražava	19	4,8
Donja Toponica	8	2,0
Donja Trnava	1	0,3
Đurovac	6	1,5
Gojinovac	1	0,3
Gradište	2	0,5
Potočić	1	0,3
Kondželj	52	13,0
Mala Plana	34	8,5
Nova Božurna	7	1,8
Pojate	21	5,3
Potočić	71	17,8
Prekađin	1	0,3
Prokuplje	73	18,3
BO	32	8,0
<b>Total</b>	<b>400</b>	<b>100,0</b>

The Socio-economic Survey covered 400 PAPs who represented 400 households.

The full database of the Socio-economic survey is available in the form of a separate Excel document. Confidential information about individual persons and properties will not be publicly disclosed.

In addition to basic demographic data (age, sex, family size), social and economic information (health, occupation, income sources) were gathered from the affected persons. This information provides the implementation authorities with a general understanding of the communities affected by the project, and the scope of compensation and resettlement assistance necessary to mitigate adverse effects.

The Socio-Economic surveys gathered detailed information at a household and individual level on current living standards, incomes and livelihoods. The objectives of the Socio-Economic Surveys were to identify potential adverse impacts on PAPs and potentially vulnerable people and households, and to serve as a baseline to measure effectiveness of resettlement plans and mitigation measures.

These are the following main topics covered providing benchmarks for future monitoring and evaluation of RAP implementation:

- Information on Owners
- Household Structure
- Economic Activities & Livelihood Agricultural activities, income from agricultural production and agricultural machines and tools
- Household Incomes
- Health & Welfare

#### 5.4. Owners

Out of a total number of Project Affected Owners representing the sample, and who have willingly participated in the survey a total of 400 PAPs were surveyed. As 38 PAPs have deceased the survey was conducted with their legal successors which are recognized as informal owners with recognizable title. Men are prevalently the title holders of immovable properties (as high as 81,0% of all surveyed PAPs) while women hold titles in moderately 19,0%. This is a fair replication of the overall national pattern in particular emphasized in rural area. The traditional ownership and title holding structure is still alive, in which men represent the absolute majority of title holders, while women become title holders prevalently by the right of succession. Such gender structure is particularly unfavourable when it comes to accessing available agricultural development funds supporting agriculture as the land or other assets is not their formal ownership which often prevents such assets to be transferred into collaterals, exacerbating the already low access of women to such opportunities. Age structure of owners is given in the Table below.

**Table 11: Age structure**

	Number	Percent
Up to 30 years	1	0,3
31too 50 years	37	9,3
51 to 65 years	65	16,3
65 and over	220	55,0

Owner deceased	38	9,5
No answer	39	9,8
<b>Total</b>	<b>400</b>	<b>100,0</b>

Now answer includes: doesn't know - 1, no data – 28, missing person – 1.

More than half of the owners are over 65 years old. Only every tenth owner is under 50 years old.

Almost 70% of impacted land parcels have only one owner, while 30,3% parcels are co-owned between two or more individuals.

### 5.5. Demographic features of households and households` size

The survey questionnaire contained the important question on the structure and size of the affected households aimed at identifying vulnerability: Is the collocutor the sole member of the households or not. In case he/she is not, the additional information of household members were asked: number of members up to 19 years, number of members between the age of 19 and 65 and how many members are older than 65 years. By cross-referencing the answers, the following qualifying characteristics of households have been established:

- Size/number of members
- Structure of the household – single (single and old-member), two membered (either married or partnered couples without children, or two adult members with a different kinship), married couple with one or more children; single-parent with one or more children or one foster parent (including grandparents) with one or more children; two-generation households with adult members and multi- (mostly three-) generation family;
- The share of elderly households (either single headed or two membered) with no member below the age of 65 years of age, which are usually either vulnerable or at risk of vulnerability.

The below data are the quantification of the above household structure by size:

**Table 18: Households size**

<b>Number of members</b>	<b>Number</b>	<b>Percent</b>
One member	38	9,5
Two members	71	17,8
Three members	60	15,0
Four members	50	12,5
Five members	67	16,8
Six members	49	12,3
Seven members	23	5,8
Eight members	18	4,5
Nine members	7	1,8
Ten and more members	17	4,4
<b>Total</b>	<b>400</b>	<b>100,0</b>

The sample is dominated by relatively uniform share two-, three- and five-member households, as well as four- and six-member households. Three- and four-member households mostly consist of couples or of one parent with young or adult child/children. Less than 10 percent of households are single-member. The difference between the primary data and the secondary data taken from the 2011 national Census are evident. According to the 2011 Census a total of 28,1% of all households in rural area of Prokuplje municipality were single membered, while 31,2% % were two-members (please refer to table 7).

Out of 38 single households, 29 are qualified as elderly, as are 34 out of 71 two membered households, both groups without members below 65 years of age. The aggregate participation of elderly households in the overall structure of total number of surveyed households is 15,8% (both single headed and with two members) where all members are 65 years of age or older. These households are in principle vulnerable or at risk from vulnerability particularly relevant to the very modest accessibility of health and social services in rural villages.

Thirteen households consisting of parents with one or more children under the age of 19 were identified. The most numerous are households with three or more adult members (140 households or 35.0% of surveyed households), as well as three-generation (in a smaller number of cases, four-generation) households (138 or 34.5%). In a number of households live the so-called. side relatives - brothers, sisters and other relatives. No household with one parent and minor children was identified

In circumstances of moderate accessibility of health and social services, which undoubtedly characterizes rural settlements in Serbia, three-generation and not rarely four-generation family is an important link in the care and elderly nursing chain. In contrast to elderly households (single and two membered), in multi-generation households the elderly community members receive the essential care in their last phase of life. A care system alike offers the two-generation family constituted from members of median and older age, which also is a contributing factor of stability and social protection of the eldest members of the community. From the reasons stated above, elderly persons living in such extended families are not categorized as vulnerable, despite the undisputed fact on moderate accessibility and institutional health and social care of these community members in rural settlements.

The total number of members of the surveyed households is around 1750. That is, 4.4 members per household.

A total of 299 children up to 19 years of age have been identified living in the surveyed sample of 400 households. In relation to the total number of 1750 members of the surveyed households, the percentage of minor children is 13.1%. To this should be added, that across the households less than 1 under-aged child per household has been recorded (0,7 children per household). This fact indicates the advanced stage of aging of members of the surveyed PAPs and their households. This is clearly confirmed by the data on the number of household members of the age 65 and above which is 440. That makes 1,1 elderly per household and 25,2% of elderly persons in the total number of surveyed households' members.

## 5.6. Permanent residence of the owner and respective successors

**Table 19: Cadastral municipality in which the expropriated parcel is located and cadastral municipality in which the owner or heir resides**

Cadaster municipality	Number of household	
	Number of Surveyed PAPs from the respective Cadastral Municipality	Permanent resident (Live in the same cadaster municipality)
Bela Voda	6	1
Bresničić	11	1
Cukovac	53	26
Donja Konjuša	1	0
Donja Stražava	19	11
Donja Toponica	8	8
Donja Trnava	1	1
Đurovac	6	3
Gojinovac	1	1
Gradište	2	0
Kondželj	52	18
Mala Plana	34	10
Nova Božurna	7	2
Pojate	21	15
Potočić	72	20
Prekadin	1	0
Prokuplje	73	57
No answer	32	
<b>TOTAL</b>	<b>400</b>	<b>172</b>

Out of the total households who responded on both questions (368) in the Municipality of Prokuplje, 172 owners (46,7%) have permanent residence address within the same cadastral municipality of the land impacted by expropriation. In other words, over half of the surveyed households live outside the cadastral municipality hosting the land impacted by land acquisition.

### 5.7. Employment status

Out of the total number of households, 129 have income generated from permanent employment of 1 or more members. . In six of those households, it is the only source of income. Only five households (1,25%) derive livelihood from own private business. 16 households (4,0% of surveyed households) have seasonal employment or are employed under fixed term contracts. More than one half of the households (218 households or 54,5% of surveyed households) have one or more retired members. Most of the households engage in agriculture, but a very limited number achieves income of significance from agriculture. Serbia has been subjected to significant changes in the employment status during the transition period. In the past the dominant employment status was the open-ended employment which had been considered as a status with significant sustainability. Recently the forms of occasional and temporary employment are dominating the employment segment, and are associated with a high level of uncertainty in both duration of employment and the salary and compulsory social and health contributions. Such uncertainty drives more and more persons to agricultural activities as a fairly stable and reliable source of income.

### 5.8. Socio-economic assessment of affected households

PAPs were asked to assess their own economic situation. The answers are presented in the table below:

**Table 20: Self-assessment of the economic situation**

<b>Socio-economic situation</b>	<b>Number</b>	<b>Percent</b>
Over-average	3	0,8
Average	284	71,0
Poor	92	23,2
Very poor	21	5,3
<b>Total</b>	<b>400</b>	<b>100,0</b>

To the questions seeking the estimation of the economic situation of the household (Question no. 20), less than one percent of collocutors responded that the economic situation of his/her household is above average. Seven out of ten surveyed PAPs have self-assessed their economies situation as average (71,0%), while less than one-quarter as poor (23,2%). 5,3% of PAPs assessed their household as very poor. According to the explanations such as: in comparison with others are most often cited as reasons for assessing that a household lives by an average standard; we live modestly and / or very modestly; we are satisfied; grown children help us; we are not poor, etc. The most common description and reasons for poverty are: we save on everything; low income; complete scarcity; illness and age that make it impossible to work; live only from

agriculture, etc.

### **5.9. Monthly income**

Regarding monthly income of the household, it is obvious that the question on the monetary and other, more difficultly measurable types of income, never provides proper and reliable conclusions. These questions are despite the detailed explanation rarely responded to. In the very few cases when a response is offered, the answers are tainted as unreliable, contradictory and conflicting with other indicators.

Given the unreliable data on income amount, the focus will be given to income sources. PAPs were requested to state the sources of livelihoods their households are depending on during a single month. The pattern of responses is provided in table below. The data have been qualified as not objective. Questions which have been left unanswered might be interpreted as total absence of income, or as a refusal of the PAPs to reveal the data. In both cases a conditional analysis of sources of income has been enabled.

**Table 21: Total monthly household income (cumulative for each type of income and for all household members)**

Type of income	Number of households	Amount per month
Income from permanent employment	in 129 households (32.0%) there is one or more employed members, and in six households this is the only source of income.	From 23.000 RSD per month to 200.000 RSD per month, including all permanently employed household's members
Income from own private business	5 households (1.25% of surveyed households)	25.000 RSD and 50.000 RSD.
Income from occasional and seasonal work	16 households (4.0% of surveyed households)	From 3.000 RSD to 50.000 RSD
Pension income	Members receive a pension in 218 households (54.5%), and in six households the pension is the only source of income.	From less than 10.000 RSD to 90.000 RSD.
Agricultural income, total annually	90 households (22.5% of surveyed households) declared their annual income from agriculture. Five households say they have a loss from agricultural production. In response to the question of whether the expropriated parcel represents a significant portion of household income, 265 of surveyed PAPs (66.3%) answered in the affirmative.	From less than 10.000 RSD (85 EUR) to over 1.000.000 RSD (8500 EUR)
Social aid	4 households (1.0% of surveyed households)	From 8.500 RSD to 45.000 RSD per month
Child Bonus	3 households (0,8% of surveyed households)	From 4.000 RSD to 6.000 RSD per month
Disability bonus	15 households (3,75% of surveyed households)	From 8.000 RSD to 42.000 RSD per month
Real estate revenue: Renting a house or apartment	2 households (0.5% of surveyed households)	Both 10.000 RSD per month

Type of income	Number of households	Amount per month
Real estate revenue: Rent of agricultural land	None. (0.0 % of surveyed households) <sup>22</sup>	
Other revenue: Family support, etc.	1 household (0.3 % of surveyed households)	20.000 RSD per month

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<sup>22</sup> 14 or 3,5% of the interviewees said that they lease the plot that is the subject of expropriation, which means that the household should have some income from the lease

**Income from permanent employment:** In 129 households (32.0%) there is one or more employed members, and in six households this is the only source of income.

The indicated amount is an aggregate of all incomes stemming from permanent employment in the household – of one or more members.

**Income from own private business:** 5 households (1.3% of surveyed households)<sup>23</sup>

**Income from occasional and seasonal work:** 16 households (4.0% of surveyed households)<sup>24</sup>. Income from casual work is undoubtedly the most unreliable and unsustainable source of income and is usually associated with work in the grey economy, informal or disguised employment, with a number of other attributable issues in the area of labour and working condition. With such employment there often is a fraudulent intent of the employer either not pay for work or to pay with significant delays preventing any budget planning within the household.

**Pension income:** Members in 218 households (54.5%) receive a pension, and in six households the pension is the only source of income. Most of the pensions (30,7%) are ranging between 20,100 RSD and 30,000 RSD (EUR), or less than 15,000 RSD (up to 10,000 RSD - 6,0%), and between 10,100 RSD and 15,000 RSD - 18,3% ). In total, 72.9% of all pensioners in the surveyed households have a pension of less than 30,000 RSD. Only 5.5% of pensioners have pensions in the amount between 50,100 and 70,000 RSD, and only 1.4% over 70,000 RSD

The average pension in Serbia amounts to 30.000 RSD. Data on income from pensions at household level might be the aggregate sum of one or more pension of different household members. It has been observed that the amounts of pension entitlements are quite low which is a result of the pension coming from the agriculture sector and thereby pension fund. These are usually much lower when compared to pension entitlements earned from employment in the public sector. The traditional division of labour and family roles between men and women during their working lives is often reflected in pension entitlements. While most men spend the vast majority of their entire working lives in full-time employment, some women stay at home to bring-up children, while others choose to take a career break, work on a part-time basis, or reduce their number of working hours. Women's pensions therefore tend to be lower than men's, such that older women may be more reliant than older men on the income provided by their partner. Not to be confused, the pensions are lower because of the lower salaries (actual or reported) as these are directly connected with the social benefits payable against the paid salaries. This is the case in agriculture private sector and entrepreneurs).

**Agricultural income, total annually:** 90 household has declared income from agriculture to contribute in the overall income scheme<sup>25</sup>. In another 13 households have also declared income from agriculture but were not able to quantify this. This sums up to 103 households which are benefiting from agriculturally related income. To this should be added that 5 households responded that agricultural production brings them only a loss.

Responses to this question (on total income from arable land) differs from responses to the questions on income stemming from the affected land. As Chapter 5.10. and table 28 has depicted, 265 PAPs (66,3%) responded they do acquire significant portion of household income from the land

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<sup>23</sup> Three PAPs declared their monthly income in the amount of 50.000 RSD from private business operation, and two PAPs declared 25.000 RSD.

<sup>24</sup> Monthly salary from occasional and seasonal employment: 3.000 RSD (3 households); 4.000 RSD (1 household); 5.000 RSD (1 household); 5.500 RSD (1 household); 10.000 RSD (1 household); 15.000 RSD (2 households), 20.000 RSD (1 household); 30.000 RSD (3 households); 35.000 RSD (1 household), 40.000 RSD (1 household); 50.000 RSD (1 household);

<sup>25</sup> Income per year from the agriculture: Up to 30.000 RSD – 14 households; from 30.000 to 50.000 RSD – 4 households; from 50.001 to 100.000 RSD – 19 households; from 100.001 to 200.000 RSD – 22 households; from 200.001 to 500.000 RSD – 19 households; from 500.001 to 1.000.000 RSD – 5 households; 1.000.000 RSD and over – 3 households.

parcel affected, which is significantly higher number of PAPs that has responded that they have agriculture-based incomes.

A possible explanation is lack of motivation to respond to the former question ("this is private"), and a higher motivation when responding with reference to the land parcel affected. It is to be expected that owners aim to have their land affected by land acquisition valued objectively, which they might translate into monetary equivalent of yearly yield income and generated profit.

**Social aid:** is received by 4 households (8.500 RSD - 1 household; 19.000 RSD - 1 household; 15.000 RSD - 1 household; 45.000 RSD – 1 household)

**Child support income:** is provided to 3 households (4.000 RSD - 1 household; 5.000 RSD – 1 household; 6.000 RSD - 1 household)

**Disability support:** is received by 15 households (6.000 RSD – 1 household; 8.000 RSD - 1 household; 10.000 RSD - 1 household; 12.000 RSD – 1 household; 13.000 RSD - 1 household; 16.000 RSD - 2 households; 17.000 RSD - 2 households; 18.000 RSD - 1 household; 22.000 RSD - 2 households; 30.000 RSD - 2 households; 42.000 RSD – 1 household)

All the above data did not allow a definite conclusion nor best estimate on income per household and household members. Income of 12.000 RSD for one member, 19.000 RSD for 2 members, and 42.000 for six members, might be used as proxy indicator for determining the poverty line in the Republic of Serbia. Those intervals are modified version of criteria used in: Poverty in the Republic of Serbia in 2006 – 2017. Revised and new data. August 2017. Social Inclusion and Poverty Reduction Unit. Government of the Republic of Serbia (<http://socijalno.ukljucivanje.gov.rs/Poverty-in-the-Republic>). In this document, the poverty line in Serbia in 2016 was established at 11.694 RSD for one-member household plus 70% of that amount for each adult family members (14 years and over) and 50% of the same amount for each child bellow 14 years. For four members household (two parents and two children bellow 14 years) the poverty line is established on 31.544 RSD. Therefore, the above proxy indicator for different household size is conditional and might be used as the probable rate of poverty amongst the surveyed households. On the other hand, income declaration cannot be considered reliable. A more reliable indicator on the extent and scope of poverty within the PAPs is found in the percentage of household eligible for receiving child support (0,75% of households) in comparison to the total number of households with children (124 or 31,0% of surveyed households).

The two most dominant source of income are old-age or other type of pension and agriculture production, followed by permanent employment salary. All other types of income are significantly less frequent. Income from agriculture is by the author observed as even under recorded as subsistence agricultural production was not declared as a source of the household` income.

#### 5.10. Agriculture land in property of households

Driven and guided by the local context the agricultural sector has received particular attention in the survey i.e. the engagement of PAPs in agricultural activities. The results were received through questions on: Total area of agricultural land owned by the household disaggregated by arable, forestry and other types of land; Area of land subject to land acquisition; Is the entire area affected or only a part and if so, what is the area of the affected part? Is the remaining land considered orphan land and will the owner request expropriation of the unviable part of remaining land; Questions were asked whether the expropriated parcel is solely owned or co-owned and if so, how many co-owners; The actual uses of land was required to be answered to and whether the land is under lease or employs workers for cultivation. The PAPs were requested to assess the importance of the land in their income stream of his/her household and if continuation of farming after expropriation of this agricultural land is considered and the rationale for the plans as well whether acquisition of new farmland is being considered.

Responses on total agricultural land holdings indicate that 28,5% own between 20.000 and 40.000 m<sup>2</sup> of agricultural land, followed by households with areas between 10.000 m<sup>2</sup> and 20.000 m<sup>2</sup> (18,5%). Between 5,000 m<sup>2</sup> and 10,000 m<sup>2</sup> of agricultural land are owned by 12,0% of households, and as many as 14,3% of surveyed households said that they own less than 5,000 m<sup>2</sup> of agricultural land. Only 9,0% of households own between 40,000 and 60,000 m<sup>2</sup> of agricultural land, and only 5,5% have more than 6 hectares.

However, every tenth PAPs does not know exactly the total land holding of the household. This has a twofold explanation, either the households are not engaged in agricultural production or the PAPs have inherited land and have not invested efforts to formally register or even claim the land.

**Table 22: Total area of agriculture land in property of the household in m<sup>2</sup>**

Area in m <sup>2</sup>	Number	Percent
Up to 5.000 m <sup>2</sup>	57	14,3
From 5.000 to 10.000 m <sup>2</sup>	48	12,0
From 10.001 to 20.000 m <sup>2</sup>	74	18,5
From 20.001 to 40.000 m <sup>2</sup>	114	28,5
From 40.001 to 60.000 m <sup>2</sup>	36	9,0
From 60.001 to 100.000 m <sup>2</sup>	12	3,0
Over 100.000 m <sup>2</sup>	10	2,5
Doesn't know	41	10,3
No answer	8	2,0
<b>Total</b>	<b>400</b>	<b>100,00</b>

A very small number of household's own forest land in addition to agricultural. 13 out of 400 surveyed PAPs said they also own forest land. The area of the property ranges: Up to 5000 m<sup>2</sup> of forests (forest land) is owned by seven of surveyed PAPs, while five respondents have 10,000 m<sup>2</sup>, and only two more than 10,000 m<sup>2</sup>. Two respondents said they owned forest land but did not know what the area was. Only five respondents said that they also own land in the other category, and two said that they did not know the area of that land.

The table below contains total area of parcels subject to land acquisition. The affected area of land is in all cases significantly smaller compared to the total area of land holding at household level. Total area of impacted areas of land are in between the range of less than 1.000 m<sup>2</sup> (48,7%) to over 15.000 m<sup>2</sup> (2,0% of all affected parcels). However, a majority of impacted land parcels are relatively small area (do 4.000 m<sup>2</sup> je 67,5% of all impacted parcels)

**Table 23: Total area of the parcel to be expropriated in m2**

<b>Area in m2</b>	<b>Number</b>	<b>Percent</b>
Up to 1.000 m2	195	48,7
From 1.001 to 2.000 m2	45	11,3
From 2.001 to 4.000 m2	30	7,5
From 4.000 to 5.000 m2	29	7,3
From 5.000 to 8.000 m2	17	4,3
From 8.000 to 15.000 m2	23	5,7
Over 15.000 m2	6	1,5
Doesn't know	28	7,0
No answer	27	6,7
<b>Total</b>	<b>400</b>	<b>100,0</b>

**Note:** According to the data from PE Roads of Serbia, only three plots will be expropriated in an area of more than 15,000 m2. All these three plots are in co-owners status and have from three to six co-owners. We assume that in response to the Question on the area of the exported part of the plot, the interlocutors stated either the total area of the plot and not only the area that is the subject of expropriation or they stated the total area of the plot and not just the part that is in their co-ownership. Only in this way can we explain the differences that exist between the data on the area of the expropriated part of the plot that we have in the tables obtained from PE Roads of Serbia and the data on the area of the exported part of the plot that we received in the Survey.

Only 12,5% of those sampled will lose the entire area of the affected land parcel while in all other cases land parcels are affected partially. From the responses to declare what area of land will be acquired relevant to the whole parcel followed that 43,5% of PAPs declared that by acquisition less than 1.000 m2 will be impacted, while 28,0% declared an area in the range between 1.000 m2 do 3.000 m2. Every tenth PAP said that the area of the part of the plot that is subject to expropriation is between 3000 m2 and 6000 m2, while 5 percent of the surveyed PAPs will have an expropriated area over 6000 m2. A number of respondents (7.0%) do not know the area of land that will be expropriated.

**Table 24: Part / area of the parcel to be expropriated in m2**

<b>Area of land parcel to be expropriated</b>	<b>Number</b>	<b>Percent</b>
Up to 100 m2	32	8,0
From 101 to 500 m2	76	19,0

<i>Area of land parcel to be expropriated</i>	<b>Number</b>	<b>Percent</b>
From 501 to 1000 m2	66	16,5
From 1001 to 3000 m2	112	28,0
From 3001 to 6.000 m2	39	9,7
From 6.001 to 10.000 m2	11	2,8
Over 10.000 m2	9*	2,2
Doesn't know	28	7,0
No answer	27	6,8
<b>Total</b>	<b>400</b>	<b>100,0</b>

\*According to the data of PE Roads of Serbia, only 4 privately owned plots have an area of more than 10,000 m2 which will be subject to expropriation. All four plots have several owners - from three co-owners to 6 co-owners. In their answers, the interlocutors had in mind either the area of the entire plot which is the subject of expropriation and which is only in their ownership, or the area of the exported property regardless of the number of co-owners.

Table 25 provides data on the area of the expropriated part of the plot in relation to the total area of land owned by the household. The data given in Table 25 show that in 37,0% of the surveyed PAPs the area of the expropriated part of the plot in relation to the total area of agricultural land owned by the household<sup>26</sup> is less than 5 percent, and that 15,8% of PAPs lose between 5% and 10% of the total area of agricultural land they own. In total, 52,8% of surveyed households lose less than 10 percent of their total land holding. Slightly more than five percent of interlocutors (5.7%) said that the area of the expropriated plot is more than half of the total area of agricultural land owned by the household. Of these, two households (0.5%) will lose almost the entire area of their land holdings.

**Table 25: Share of expropriated area in total land holding of the household**

<i>Description</i>	<b>Number of households</b>	<b>Percent</b>
Up to 5%	148	37,0
5-10%	63	15,8
10-20%	51	12,8
20-30%	22	5,5
31-50%	14	3,5
51-70%	9	2,2
71-80%	12	3,0

<sup>26</sup> Areas of forest land and other land not included

81-100%	2	0,5
Doesn't know	73	18,2
Illogical*	6	1,5
Total	400	100,0%

\* Illogical answers - smaller total area of agricultural land than expropriated area (surveys no. 79, 102, 138, 189, 194 and 237). From the answers to several other questions, it can be seen that the interlocutors attach great importance to the expropriated land for the economic position of the household (income from the expropriated part of the plot, importance of the expropriated plot for the economic situation, agriculture, etc.). There is no doubt that the subjective perception of expropriation as a loss of land has a significant impact in this.

Considering the high number of cases with impacts to only parts of the land parcels (87,5% of PAPs), the pattern of intent to request acquisition of the orphan land was explored. The following patterns were observed:

**Table 26: Request for acquisition of orphan land**

Modality	Number	Percent
Entire area / parcel affected	50	12,5%
Will not require the orphan land to be acquired	14	3,5%
Will require the orphan land to be acquired	282	70,3%
Has no knowledge this can be requested	30	7,5%
Has not decided yet and will assess the viability within 2 years	24	6,0%
Total	400	100 %

As already mentioned, there is slightly over 10 percent of plots (12,5%) that have been expropriated in their entirety. Almost three-quarters of the interlocutors (70,3%) will request additional expropriation of the remaining part of the plot, and as many as 7,5 percent of owners are not aware that they have the right to request additional expropriation. The Law on expropriation provides a clear evaluation process for assessment of orphan land. Any such request can be submitted more than once. The final submission deadline is 2 years after the construction has been completed to assess whether the land can also be positively impacted by the Construction (added value and capitalizing from being located near a large infrastructure).

In respect to acquisition of land of orphan land KSDOO will ensure that these options are timely communicated to the PAPs. This is assessed to be most efficient through the GLAC and the public consultations. The terms under which the unviable land may be surrendered, the criteria, the potential statutory limits and how the Grievance Mechanism can mediate in the process will be part of information package and focus. This is particularly highlighted as past experiences have shown that negative practices and, in some cases, even manipulative behaviour, with high-cost

implication, when PAPs were seeking advice and assistance from advisors even lawyers in resolution of the acquisition of orphan land. The process of surrendering orphan land is well established along the line of article 10 of the Law on expropriation and is in addition well supported by ample precedents in the past.

In terms of the land use of the affected land, majority of it is plowland (49,7% plus 7,3 of predominantly plowland with orchards and vineyard), followed by orchards (18,5%), and to a lesser extent vineyard (3,5%).

**Table 27: Land use patterns of expropriated parcel**

	<b>Number</b>	<b>Percent</b>
Plowland	199	49,7
Predominantly plowland with orchards and vineyard	29	7,3
Orchard	74	18,5
Orchard and vineyard	12	3,0
Vineyard	14	3,5
Others (unfertile, land classified as construction land not hosting any structures)	72	18,0
<b>Total</b>	<b>400</b>	<b>100,0%</b>

The economic crisis and the loss of jobs in Serbia during the transition period and to a certain extent during the COVID 19 crisis have directed many people towards agricultural activities. Agriculture is becoming the main and/or important source of income for an increasing number of households in Serbia, including households of younger generations. Judging by the statements of the interlocutors, agricultural land is an important source of income for the surveyed households. Two-third of respondents (66,3%) say that expropriated land is an important source of household income. Slightly more than one fifth (23,0%) say that agricultural production brings only a small part of income, while 10,7% are not active in agriculture at all. These percentages differ significantly from similar surveys conducted ten or more years ago in Serbia. The table 28 summarises the answers of PAPs asked to assess the importance of project affected land parcel to their livelihood.

**Table 28: Significance of income from affected land to the livelihood**

Answer /Significant	<b>Number</b>	<b>Percent</b>
Yes	265	66,3
No	92	23,0
Not engaged in agriculture	43	10,7

<b>Total</b>	<b>400</b>	<b>100,0</b>
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The majority of respondents (71,5%) will continue to work in agriculture in the future. The most common reason is that agriculture is the only or most important source of income, while a smaller number stated these are additional sources of household income necessary due to low pensions or insufficient earnings from other sources. The reasons why they do not or will not continue to engage in agricultural production are most often age or illness. The table 29 provides the summary answers of interviewed PAPs asked to share their intention on continued agricultural activities after land expropriation.

**Table 29: Summary of PAP Intention on continued agricultural activities after expropriation**

Answer	Number	Percent
Yes	286	71,5
No	44	11,0
Not engaged in agriculture	69	17,3
No answer	1	0,2
<b>Total</b>	<b>400</b>	<b>100,0</b>

The answers to the question about the plans for the purchase of new agricultural land are interesting. Almost a third of respondents (29,5%) plan to increase the area of their agricultural holdings, 35,3% have no such plans, and 22,0% have not thought about it. The answer to this question is not consistent with the answers to a question about the planned ways of spending funds obtained for expropriated land which were given in Table 35. In processing the survey results, the answers of surveyed PAPs were entered in their original form, as respondents responded. It should be noted that pollsters cannot control how answer on some question is harmonized with the answer on similar question during the conduct of the survey. Logical control of the answers received implies that only the reliability of the written responses is done, not the content of the responses received from the respondents.

The reasons for buying new land are: Substitution for expropriated land; Agriculture is an important source of income for household; Because they plan to expand agricultural production; Purchase of land is good investment; Want to leave land to his heirs.

The answers indicate that most of the interlocutors see agriculture not only as a necessity, as the only choice but also as a feasible investment opportunity. In our opinion, it is positive that the number of interlocutors who say that it pays to engage in agriculture (almost every tenth interlocutor) and that agriculture can provide a relatively decent income is increasing.

Age and illness are most often cited as reasons for not farming or abandoning agricultural production in the near future. Other reasons include: permanent employment and lack of time for engagement in agriculture, large distance of agricultural land from the place of permanent residence, etc.

To the question on annual income from the land subject of expropriation (Table 30: Annual income generated from impacted land parcel), 159 (39,8%) stated the amount earned, while the remaining PAPs were either not able to estimate the annual income generated from that land, or had no income from that source. The following answers are given in the table below.

**Table 30: Annual income generated from impacted land parcel**

<b>Annual income</b>	<b>Number of households</b>	<b>Percent</b>
No income from agriculture	18	4,5
Up to 10.000 RSD (EUR 85)	7	1,8
From 10.000 to 30.000 RSD (EUR 85 to 254)	38	9,5
From 30.001 to 50.000 RSD (EUR 254 to 423)	30	7,5
From 50.001 to 100.000 RSD (EUR 423 to 847)	33	8,3
From 100.001 to 200.000 RSD (EUR 847 to 1.649)	24	6,0
From 200.001 to 1.000.000 RSD (EUR 1.649 to 8.474)	23	5,8
Over 1.000.000 RSD (EUR 8.474)	1	0,3
Doesn't know	52	13,0
No answer (including part of those not engaged in agriculture)	162	40,5
Production for household's needs only	9	2,3
Negligable	3	0,8%
<b>Total</b>	<b>400</b>	<b>100,0%</b>

Almost one half of the interlocutors did not provide response to this question, either because the question as an invasion of privacy, or because they do not engage in agriculture, but most often for the reason that they consider income from agriculture very low.

The analysis of the stratified responses has been guided by the fact that these are annual incomes. Slightly over 10 percent of the interlocutors generate some income from agriculture from the expropriated plot (more than 850 EUR per year). In assessing the importance of this income for the household, the overall economic situation of the region has been considered. In other words, even a very modest income is valuable to a household. This may explain the relatively high percentage of interlocutors who said that the money obtained for the expropriated land will be used to purchase new agricultural land.

Previously, we drew attention to certain contradictions in the responses of those surveyed. For example, several collocutors said that the annual income from the expropriated parcel is higher than the income they generate from the total area of land owned by household, which certainly cannot be accurate. We assume that these contradictions can be explained by the PAPs desire to show that the expropriated parcel is of greater importance to economic situation of household than in reality.

Only 3,5% of respondents said that they lease the land subject to expropriation.

**Table 31: Affected land under lease**

<b>Answer of interviewed PAP</b>	<b>Number</b>	<b>Percent</b>
Yes	14	3,5
No	386	96,5
<b>Total</b>	<b>400</b>	<b>100,0</b>

When, however, we compare the answer to the question of whether the expropriated plot is leased, with the answers on household income, we notice a contradiction. In their responses on household income, no household stated that it earned income from renting out the land.

**Table 32: Workers for cultivation of land parcel**

<b>Answer of interviewed PAP</b>	<b>Number</b>	<b>Percent</b>
Yes	33	8,3
No	367	91,7
<b>Total</b>	<b>400</b>	<b>100,0</b>

Judging by the statements of the interlocutors, not a small number of households employ workers to cultivate agricultural land, i.e., impacted land parcel. (8,3%). It is also a noteworthy figure, as earlier surveys have identified a very small, almost no engagement of paid labour in agriculture. It should be noted, however, that the employment of paid labour in agriculture is highly seasonal, that it is most often in the grey economy zone, i.e., in the form of daily wages.

### **Monthly repayment obligations**

Less than one fifth of surveyed households (17,0%) has used credit facilities and has monthly repayment obligations.

**Table 33: Household debts**

<b>Answer of interviewed PAP</b>	<b>Number</b>	<b>Percent</b>
Yes	68	17,0
No	305	76,3
No answer	27	6,7
<b>Total</b>	<b>400</b>	<b>100,0</b>

### 5.11. Vulnerability

Population in the rural areas in the Republic of Serbia are exposed to the multiple modes of vulnerability:

- There is a high share of the elderly population (65 and over), and especially elderly households (single and two-member) without members younger than 65;
- As a rule, the elderly in the rural areas receive agricultural pensions which are significantly lower than the average pensions in Serbia earned on the basis of employment in the public sector;
- Public services are poorly accessible in rural settlements, especially those in the field of health and social protection, which are essential for meeting these needs of old households;
- Mobile forms of health and social services that reach the user ("customer service") are poorly developed, such as mobile health teams, mobile clinics and laboratories, mobile home help services and service of caregivers to persons in need, etc. The local road network connecting rural settlements with the municipal center is, as a rule, in poor condition and difficult to pass, especially during the winter months and during periods of heavy rains;
- Public transport is irregular, if it exists at all, and is relatively expensive, which further complicates the availability of public services in municipal centers for citizens from rural settlements, where services in the field of health care and social care are provided. For all these, as well as other reasons, the risk of vulnerability in rural areas is significantly higher compared to living conditions in cities.

Having in mind this overall vulnerability picture, this RAP has identified the following vulnerability criteria, which are based on the socioeconomic survey:

- elderly households (single and two-member) without members younger than 65 years living in the household or in within a daily commuting distance;
- households in which one or more members require third persons care and presence due to disability or chronic illness; and
- families of single parents or guardians with one or more minor children. This category is conditional and depends on the amount of income, age of the children and the health condition of the parents or guardians

- Households below the poverty line or at risk of poverty are also a vulnerable category, but the data obtained do not provide a basis for a more reliable estimate of total household income, so these should be cross-referenced with data from the Centre for Social work.
- The household losing over 50% of their total landholding by expropriation of the affected land parcel.

The table below (Table 34) provides data obtained in the Survey on the number of households by size (number of members), elderly (single and two-member) households and the number of households with one or more members with disabilities (categorized in: Partial or total immobility, Chronic illness, Disabilities due to old age).

**Table 34: Households by number of members and by persons with chronic diseases, disabilities or chronic illness**

Number of household members	Total number of households	Households with one or more members with disabilities	Partial or total immobility	Chronic illness	Disabilities due to old age
1	38 (of which elderly 27)	7	3	/	4
2	71 (of which 31 elderly)	16	4	4	8
3	60	8	3	4	1
4	50	13	4	2	7
5	67	16	4	6	6
6	49	11	4	5	2
7	23	1	/	/	1
8	18	6	1	3	2
9	7	3	3		
10 and more	17	6		2	4
<b>TOTAL:</b>	<b>400</b>	<b>87</b>	<b>26</b>	<b>26</b>	<b>35</b>

*Note: For a number of household members, several diseases are listed. For the sake of clarity, only one disease is listed in the table (for example, if it says immobile person with chronic diseases, immobility is stated; in the answer: age and chronic diseases, chronic diseases are stated, in the answer immobile or difficult to move plus other diseases, immobility or poor mobility). In two-member and multi-member households, it is sometimes stated that both or more members have a disease. Since the household in this case is the observation unit, we entered only the data on the household with one or more sick members.*

Out of a total of 400 households, 87 households are home to one or more members who are more or less dependent on the help and care of other household members.

Vulnerability is most often associated with age and diseases and health difficulties brought about

by high age (impaired vision, impaired hearing, heart problem, difficulty moving, Parkinson's disease, Alzheimer's disease, etc.). A number of citizens have cancer and other systemic and chronic diseases.

Out of 87 households with one or more members in need of someone else's care, seven households are one-member, 16 households have two members each, eight have three members each, and 55 have four-member and larger households with persons in need of care.

Among the surveyed households, there are no families with one parent and one or more minor children.

Undoubtedly, single households are in the most difficult situation, regardless of the severity of the handicap, since these citizens depend on the help of neighbors and social institutions. Citizens living in a city settlement can use the help of qualified persons (geronto-housewives, home care, etc.), which is stated in several answers. Households in rural settlements are, as a rule, deprived of professional assistance, due to the spatial distance from social and health services.

In interpreting table above, the following qualifying characteristic are to be understood as below:

- The ability to care and provide for their elderly or ill household members is stronger in households with 3 or more members. This requires commitment and engagement of all members but provides security and care to the person in need.
- The elderly households in rural areas of Serbia are to be understood in the context of traditional values and patterns of behavior that are still dominant in rural areas. Namely, property owners (especially land) feel obliged to preserve and bequeath their property to their heirs, regardless of whether they live with them in the household or in the vicinity and whether they take care and provide basic living conditions for the owners when they reach old age and infirmity. Such values are a key barrier in the application of other modalities of caring for the elderly in situations when it is very difficult for them to live alone and without aid. There are different housing communities for the elderly, institutionally well-organized forms of nursing homes with regular and reliable supervision and control of service provision, etc. The use of such facilities in most countries is associated with securing payment for these services or mortgaging or leasing property to provide such services for the rest of the life of the owner and his spouse or dependent.
- In the analysis of possible forms of additional assistance, solely the statements of PAPs given in the Survey on health, social and economic characteristics of the household cannot be a reliable and objective indicator of the real situation. In other words, in order to obtain reliable information on these household characteristics, it is necessary to obtain much more formal documents than the statements.

Deciding on eligibility for additional allowance must be also relying on data from municipal Centre for social work, which on the basis of official documents decide on granting a certain type of social support to a particular household followed by vulnerability criteria.

Results interpreted in [Table 21](#) showing the structure of household income which also includes: Social aid, Child Support income and Disability support identified that 4 households are dependent and receive Social aid, Child support income is provided to 3 households, Disability support is received by 15 households. The final decision on eligible persons to receive additional allowance because for their vulnerability should be driven by the vulnerability criteria adopted in the official regulations of the Republic of Serbia in addition to the criteria provided in this RAP. Currently the vulnerability screening is completed for the

universe of surveyed PAPs while the determination of the final list is in process. The local centre for social work would be the most important partner and the most effective solution, which will satisfy the legal form of additional assistance. Granting additional allowance based on the statements given in the Survey would be unfair, unreliable, unfounded on objective and accurate data i.e. actual vulnerability of the PAPs. In partnering up with the local centre each PAP who is assumed to meet the vulnerability criteria will be screened against the national vulnerability criteria. Furthermore, options for accessing other forms of support programs will be considered. Vulnerable persons have been identified.

**Investment plans patterns**

The responses to question on intended spending plans of the compensation to be received are provided in the table below:

*Table 35: Intended spending patterns*

Intended plan	Number of answers	Percent
1. Acquisition of land for construction house, purchasing house or apartment	35	8,8%
2. Business start-up	13	3,3%
3. Acquisition of replacement agricultural land	64	16,3%
4. Acquisition of agricultural machines and equipment	43	10,8%
5. Health treatment and medication	55	13,8%
6. Saving accounts	26	6,5%
7. Education of children and grandchildren	64	16,0%
8. Supplementing daily expenditure needs	100	25,0%
9. Car acquisition	6	1.5%
10. None of the above but not specified	114	28,5%
<b>A total of 400 households responded to the question</b>	<b>520 choices</b>	<b>100.0% (400 households responded)</b>

The responses on intended spending patterns of the compensation, the most frequent pattern was improvement of agricultural production (27,1%), either through purchase of new agricultural land (16,3%) or the purchase of new agricultural machinery and equipment (10,8%). One quarter (25,0%) of the respondents plan to use the obtained money in full or in part to cover daily expenses. Significant number of respondents will use it (in part or in full) for medical treatment and to cover medical expenses for medicine (13,8%), as well as for the education of children or grandchildren (16,0%). Almost one of ten households (8,8%) plan to invest money in buying a house, apartment or building plot or in improving living conditions in their housing premises (8,8%). To invest in starting a new business is planned by 3,3% of collocutors. More than one quarter (28,5%) of the respondents will use all or part of the obtained amount for some other purpose (give to the children or grandchildren, for weddings, etc.).

### 5.12. Community Perception of the Project

The Social Impact Assessment conducted through the ESIA indicated that the overall perception of the planned Project is that it will facilitate economic growth, attract investments and enhance connectivity. The communities in the pre-construction phase have shown very little ambivalence, and are in general pro project oriented. There is large community support and expectations of the upcoming activities. Even investments are made in this early stage to capture the momentum to benefit from opportunities to arise during the construction period. The community characteristics will moderately change in its dynamics even in the pre-construction phase, but the measurable changes shall be in the construction phase. The Support of the local communities should be nurtured by implementation of the SEP and monitoring its adequacy, listen to the response of the community to its activities and maintain good communication channels. The Communities are partners in project development and should be recognized as such. During the field visits and interviews there were sporadically opinions on how the Highway itself might marginalize the two Municipalities impacted by the Project in a way that reduced travel time will in fact change existing visits to the municipalities as those transiting will not make stops by entering the cities at all.

### 5.13. Physical Displacement

The survey covered 22 PAPs affected by physical displacement. These structures had various actual use from residential purposes for either the owner or a member of his/her household, or for leisure and recreational and business facilities. All of the structures covered in survey as impacted by expropriation are disaggregated per type and use as presented below:

- Structures used for primary residential purposes – 18
- Structures used as leisure and holiday homes – 3
- Storage wholesale structure – 1

**Table 36: Structures used as primary residences as stated by the respondents**

Cadaster municipality		No. of parcel	Area of structure in m2	Year of constr.	Solid construction material and utilities	New house	Settlement where new house intended to buy / build
1.	Potočić <sup>27</sup>	2050/2, 2051/1,	90m2	1990	Yes	Yes	Not decided yet
2.	Mala Plana	1649/2	Doesn't know	Doesn't know	Yes	Yes	Not decided yet
3.	Prokuplje <sup>28</sup>	2021/5	142m2	2000	Yes	N.A.	Not decide yet
4.	Prokuplje <sup>29</sup>	2229/12	42m2	1981	Yes	N.A.	Not decided yet
5.	Prokuplje <sup>30</sup>	7/3	78m2	1980	Yes	No	No answer

<sup>25</sup>Owner has permanent residence in CM Mala Plana. Auxiliary structures on the plot (pig stay and corn storage)

<sup>28</sup> Foundation for a garage (83 m2)

<sup>29</sup> Land housts a auxilliary structure (18 m2)

<sup>30</sup> Owner has permanent residence in Belgrade

6.	Prokuplje <sup>31</sup>	7/2	55m2	1999	Yes	No	No answer
7.	Prokuplje <sup>32</sup>	73/4	300m2	1985	Yes	Yes	In the same settlement
8.	Prokuplje	586	69m2 + 89m2	1987	Yes	Yes	In the same settlement
9.	Prokuplje	61/4	62m2	1982	Yes	Yes	In the same settlement
10.	Prokuplje	46/6	120m2	1990	Yes	Yes	In the same settlement
11.	Prokuplje <sup>33</sup>	45/1	84m2	1995	Yes	Yes	Not decided yet
12.	Prokuplje	8/14	81m2	/	Yes	No	No answer
13.	Bela Voda <sup>34</sup>	280/2	110m2	2005	Yes	Yes	In the same settlement
14.	Prokuplje	4530/2 1524m2	77m2	1937	Yes	Yes	Not decided yes
15.	Prokuplje	2235/1 480m2	174m2	1983	Yes	Yes	In the center of Municipality
16.	Prokuplje <sup>35</sup>	2235/12 600m2	121m2	1995	Yes	Yes	In the same settlement
17.	Prokuplje	6/4 4414m2	180m2	1975	Yes	Yes	In the same settlement
18.	Prokuplje <sup>36</sup>	2022/1 1500m2	120m2	1975	Yes	Yes	In the same settlement

As can be seen from the table, five of the owners do not have a permanent residence in the cadastral municipality in which the residential building is located. 13 owners said they would buy / build a new housing in exchange for the exported. Of these 13 owners, eight will build the facility in the same settlement, and the others have not yet decided whether they will do so in another settlement.

Given the problems faced by interviewers in the field (limited communications due to the pandemic) as well as a large number of empty / unoccupied structures and weak communications with the neighbors, the additional data are collected from the PE Roads of Serbia on expropriation of facilities in action route that passes through the municipality of Prokuplje. The data are shown in the table below (Table 37: Impacted structures identified in the data base of PE Putevi Srbije). The data from the PE Roads of Serbia

<sup>31</sup> Owner has permanent residence in Belgrade

<sup>32</sup> Owner has permanent residence in Donja Stražava

<sup>33</sup> Owner has permanent residence in Bajčince

<sup>34</sup> Owner has permanent residence in Prokuplje. Auxilliary structure on the land affected (house 200m2, stable 59m2, bakery 44m2,

<sup>35</sup> Workshop 138 m2

<sup>36</sup> Two houses 120m2

do not state the purpose of the building, but it can be assumed given the area of the building (buildings smaller than 30 m<sup>2</sup> are probably not used for housing).

**Table 37: Impacted structures identified in the data base of PE Putevi Srbije**

	Cadaster municipality	No. of parcel	Number of structures	Area of structures in m <sup>2</sup>	Purpose of Structure	Number of owners	Place of residence of owner(s)
<b>I</b>	<b>Bela Voda</b>						
		280/2	2	35 + 28	Not available	1	Prokuplje
<b>II</b>	<b>Donja Konjuša</b>						
<b>1</b>		394/9	1	12	Auxiliary		Niš
<b>2</b>		445	1	108	Residential	1	Donja Konjuša
<b>3</b>		447/1	1	29	Auxiliary	1	Barlovo
<b>4</b>		447/2	2	70 + 25	Residential + Auxiliary	1	Bjelopoljin
<b>5</b>		387/1	3	73 + 50 + 74	Residential + 2 auxiliary	3	Donja Konjuša, Smederevska Palanka
<b>III</b>	<b>C.M. Prokuplje</b>						
<b>1</b>		3057/1	3	21 + 7 + 2	Auxiliary	1	Prokuplje
<b>2</b>		4469/8	1	40 m <sup>2</sup>	Auxiliary	1	Prokuplje
<b>3</b>		2022/1	2	86 + 14	Residential + auxiliary	1	Prokuplje
<b>4</b>		4468/2	1	14	Auxiliary	1	Prokuplje
<b>5</b>		2235/12	2	121 + 163	Residential	1	Prokuplje
<b>6</b>		2235/10	1	99	Residential	1	Prokuplje
<b>7</b>		4469/3	1	86	Residential	1	Prokuplje
<b>8</b>		2235/4	1	94	Residential	1	Prokuplje
<b>9</b>		4469/10	1	117	Residential	1	Prokuplje
<b>10</b>		4530/2	1	8 m <sup>2</sup>	Auxiliary	1	Prokuplje
<b>11</b>		2651/10	1	57	Residential	1	Niš
<b>12</b>		2668/6	1	50	Residential	1	Prokuplje
<b>13</b>		2668/8	1	72	Residential	1	Prokuplje
<b>14</b>		2021/5	2	142 + 83	Residential	2	Prokuplje
<b>15</b>		2235/1	1	147	Residential	1	Prokuplje
<b>16</b>		4470/2	1	35	Auxiliary	1	Prokuplje

	Cadaster municipality	No. of parcel	Number of structures	Area of structures in m2	Purpose of Structure	Number of owners	Place of residence of owner(s)
17		2229/12	1	18 m2	Auxiliary	1	Prokuplje
III	<b>Prokuplje Grad</b>						
1		7/2	1	55	Residential	1	Beograd
2		7/3	1	78	Residential	1	Beograd
3		6/4	4	53 + 112+ 20 + 2	Residential	3	Prokuplje
4		½	1	140	Residential	6	Alibegovac, Prokuplje, Niš,
5		73/4	1	82	Residential	2	Donja Stražava, Prokuplje
6		56/8	1	12	Auxiliary	1	Prokuplje
7		56/6	2	89 + 89		2	Prokuplje
8		56/10	1	1 m2	Auxiliary	3	Prokuplje
9		6/2	1	64	Residential	2	Prokuplje
10		6/3	1	129	Residential	2	Prokuplje
11		6/4	1	62	Residential	1	Prokuplje
12		46/6	1	3 m2	Auxiliary	1	Prokuplje
13		45/1	1	84	Residential	7	Prokuplje, Sombor
14		5/6	1	101	Residential	1	Prokuplje
15		8/4	1	81	Residential	11	Prokuplje, Zemun, Džigolj, Niš, Mikulovci, Reljinci,

The census and inventory identified that the constructio of Sections 2,3 and 4 impacts structures only in 4 out of 18 cadastral municipalities the alignment passess through.

In CM Prokuplje and in CM Prokuplje Grad impacted structures are located on 32 cadastral parcels, of which 6 structures are less than 30 m2, and are not residential structures. In addition, the owners of three structures with an area of more than 30 m2 do not live in the municipality of Prokuplje, and don't use these structures for permanent housing.

By comparing Tables 36 and 37, it is confirmed that the survey covered the vast majority of impacted residential structures.

The Survey has identified 3 structures for leisure and holiday residence (Table 38).

**Table 38. Structures for leisure and holiday residences**

<b>Cadaster municipality</b>	<b>Area of structure</b>	<b>Equipment</b>	<b>Will buy new structure</b>	<b>Where?</b>
Gradište	36m2	Yes	No	Not decided
Donja Konjuša	74m2	Yes	Yes	Outside this municipality
Prokuplje	58 m2	Yes	Yes	Outside this municipality

**Auxiliary facilities**

Respondents stated that there are a number of auxiliary facilities and installations on the expropriated plots. We classified these facilities into two basic groups:

- (1) Auxiliary facilities and installations located on the plot on which the residential facility is located (9 structures), and
- (2) Independent auxiliary facilities and installations on the plot where there is no residential facility. (21 structures: Warehouse with retail space 138 m2 - 1 - Water hose - 13 - Well - 5 - Well and water pipe - 1 - Water pump – 1 ).

**5.15. Awareness of the protection and exercise of rights in the expropriation procedure**

We asked the surveyed PAPs if they knew who they could turn to protect their rights during the process of expropriation and construction of the Highway. Table 39 provides the summary of answers obtained from the interviewed PAPs.

**Table 39. Do you know who to contact in the expropriation process**

<b>Answer</b>	<b>Number</b>	<b>Percent</b>
Yes, we know who to turn to	178	44,5%
No, we don't know who to turn to	148	37,0%
We expect o be informed about it	74	18,5%
<b>Total</b>	<b>400</b>	<b>100,0%</b>

Less than half of the PAP respondents (44.5%) answered that they know who they can turn to to protect their rights and solve difficulties and problems if they occur. Slightly more than a third of PAPs (37.0%) said they did not know who to turn to, and 18.5% were just planning to find out how and where they could address potential difficulties and problems

**Table 40: Who do they trust most and will turn to**

Answer	Number	Percent
To the lawyer	169	94,3%
Lawyer or municipal services	5	2,8%
Municipalities	2	1,1%
Roads of Serbia	1	0,6%
To family or relatives	2	1,1%
<b>Total</b>	<b>178</b>	<b>100,0%</b>

For almost all respondents, lawyers are a key source of information and assistance in protecting rights during the expropriation of property and the construction of the Highway. Two respondents said they had been suggested in the Municipality to contact a lawyer who would advise them on how to protect their rights. The reasons for the appeal are the low purchase price, the purchase of the remaining part of the plot, representation before the municipality and the Expropriation Beneficiary. Several PAPs said lawyers suggested they could get a higher price. Also, PAPs approached lawyers because no one from the Municipality had previously contacted them.

The answers to this question indicate that it is necessary for the Expropriation Beneficiary together with the municipal administration to strengthen the service for cooperation with PAPs and local communities on the route of the Highway.

## **6 RESETTLEMENT COMPENSATION STRATEGIES**

### **6.1 Key Principles**

Key principles as designed by the Resettlement Policy Framework<sup>37</sup> and Additional LARF Guidelines are incorporated into this RAP. The RPF has been prepared in 2016 The principles for the impacts identified could be briefly summarized as follows:

- Resettlement and compensation of Project Affected People will be carried out in compliance with Serbian legislation and EBRD were the more stringent requirement will take precedence
- Affected People will be compensated for their losses at replacement cost to allow restoration at pre-displacement level,
- The RAP implementation and outcomes will be monitored by Koridori Srbije and an external Social supervision Consultant to be appointed.

<sup>37</sup>[http://www.koridorisrbije.rs/site/content/files/5b192b6614d04\\_2018-06\\_01%20OKVIR%20RASELJAVNJA%20ser%20cyrilic.pdf](http://www.koridorisrbije.rs/site/content/files/5b192b6614d04_2018-06_01%20OKVIR%20RASELJAVNJA%20ser%20cyrilic.pdf)

## 6.2 Cut-Off Date

The cut-off date is set at June 15, 2021. Persons who encroach into the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) developed after the cut-off date will not be compensated.

A concept of a Moratorium notice informing the general public of the declaration of cut-off date was presented at the first consultation meeting held during 2016 and 2017 and 2020 (there were over 30 meetings, focus group discussions) with a total of 194 persons attending in the Municipality of Merošina and Prokuplje. A Moratorium notice will be available at the KSDOO website.

In addition, at the beginning of the Census, every individual surveyed is informed about the moratorium date and the respective consequences of commencing activities after the date of Census. All persons have been informed about the cut-off date ..

## 6.3 Eligibility

Any individual identified prior to the cut -off date and identified as owner/user in the inventory of assets impacted by the Project is eligible to be compensated in line with the Entitlement Matrix All PAPs identified prior to the cut-off date shall be entitled to compensation, according to the compensation principles of the Law on expropriation, Law on fundamental property rights and RPF, whereas the more stringent in requirements shall prevail.

Project affected persons are defined to include the following categories:

- Project affected persons, with formal title, who lose all or part of their land;
- Project affected persons without formal title but with title recognizable under the national law;
- Project affected persons with formal title of tenancy on private or public land;
- Project affected persons with formal title over land that will be needed during construction on a temporary basis;
- Project affected persons without formal title on affected land, but their livelihoods are directly dependent on the affected land or businesses (e.g., those working on affected agricultural land or working in the affected businesses);
- Project affected persons without formal title of ownership or use but who have established usage of public or private land by investing in immovable objects, crops, woods, trees, fruit bearing trees, vineyards, the age of crops, and the time needed to reproduce them; and
- Any affected community facilities will also be reconstructed, or necessary support will be provided for their relation to the community losing access to such common facilities

The entitlements for different categories of impact and PAPs shall be as per the Entitlement Matrix<sup>38</sup> as adopted in the RPF for the Project and final RAP. The matrix below shows extracts for ***impact categories relevant for the identified impacts only.***

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<sup>38</sup> Only part of the Entitlement Matrix relevant for specific impacts identified under this Subcomponent has been presented. For access to full entitlement Matrix within RPF please visit [http://www.koridorisrbije.rs/site/content/files/5b192b6614d04\\_2018-0601%20OKVIR%20RASELJAVNJA%20ser%20cyrilic.pdf](http://www.koridorisrbije.rs/site/content/files/5b192b6614d04_2018-0601%20OKVIR%20RASELJAVNJA%20ser%20cyrilic.pdf)

Type of loss	Person with rights	Compensation policy
<b>Economic displacement</b>		
<b>Land</b>		
Agricultural land regardless to severity of loss (whether partial or complete loss)	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;
	Lessee with valid documents of the right of lease who cultivates agricultural land pursuant to agreement	Compensation for all improvements on land (such as irrigation). Compensation will be paid at replacement cost. + Costs of equipment relocation and installation + Replacement land for lease, if land was leased from state
	PAPs without formal title	PAPs without a formal title who were in possession of the land on cut-off date will not receive compensation for the land but will be compensated for all investments made on land including labour. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Phase I has not identified PAPs without formal title to land
Construction land regardless to severity of loss (whether partial or complete loss)	Owner with formal title	Cash compensation at replacement costs, or; At property owner demand, if legal terms are met, replacement land of equal or higher value and similar value 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
	Lessee with valid documents of the right of lease	Compensation for all investments on land Compensation will be paid at replacement cost + Costs of equipment relocation and installation +

Type of loss	Person with rights	Compensation policy
		Replacement land for lease, if land was leased from state + Compensation for all rent paid in advance, for the period not expired
	PAPs without formal title	PAPs without a formal title who were in possession of the land on cut-off date will not receive compensation for the land but will be compensated for all investments made on land d. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Phase I has not identified PAPs without formal title to land
Unviable land, agricultural or construction	Property owners,	In case the remaining area of land is not viable, it can be expropriated upon PAPs request and compensated according to type of property. The viability is assessed on a case to case basis.
PLANTS AND STRUCTURES ON AGRICULTURAL LAND (but not houses)		
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	Cash compensation which equals the value of expropriated crops including the value of time needed to produce such crop, as well as costs of possible investment (work and labour force). The inventory of crops has been conducted and valuation is ongoing
Loss of perennial plants and trees (fruit bearing trees, vineyards and fruit bearing plants) of any age and yielding potential	Owners of plants (it is not of importance if the owner of plants is owner of land, or lessee, or informal owner/user of	The right to collect fruits + Cash compensation at replacement cost on the basis of sort, year and productive value, including the value of time needed to produce such crop, as well as costs of possible investment (work and labour force), to plant a new vineyard, orchard or similar, till the moment it reaches the full fructuous potential.

Type of loss	Person with rights	Compensation policy
Affected vineyards and orchards not yet fruit bearing	land providing that they bore costs of planting	Cash compensation for the investment in planting a new vineyard or orchard (labour, seedlings), including the value of time needed to reproduce a replacement vineyard or orchard.
Wood mass (mature or nearly mature)		The replacement cost determined based on the value of the “wood on the stump” at market value
Forests without mature wood mass		Cash compensation for the investment in planting a new forest, including the value of time needed to reproduce a replacement forest
Nursery (young plants saplings other than for forests) not yet yielding		Cash compensation for the investment in planting material (nursery and other reproductive material).
Buildings used for keeping and raising livestock (sheds, stables, etc.)	Owners of structures used for keeping livestock	Cash compensation at replacement costs, or; At property owner demand, if legal terms are met, appropriate replacement property + costs of resettlement and administrative fees needed for transfer of ownership rights, if any
Impact on agricultural employees, or processors	Workers, employees	In case of disturbance of income source compensation on a one-time basis will be paid in the amount of 3 months minimum wage at country level + 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)
<b>BUSINESS (but not agriculture)</b>		
Business structures (shops, offices buildings) etc.	Owners with formal title	Cash compensation at replacement costs, including taxes +

Type of loss	Person with rights	Compensation policy
		<p>Costs of equipment and inventory relocation and re-installation</p> <p>+</p> <p>Cash compensation on a one-time basis (transitional allowance) to be determined on a case to case basis during social survey by obtaining relevant data on income and livelihood. Transitional allowance shall then be determined commensurate with the loss.</p> <p>or;</p> <p>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 together with all costs of resettlement and administrative fees needed for transfer of ownership rights, if any</p>
	<p>Lessee with valid documents of the right of lease who uses premises according to agreement</p>	<p>Compensation for all improvements on premises (such as reconstruction, refurbishment etc.). Compensation will be paid at replacement cost.</p> <p>+</p> <p>Costs of equipment and inventory relocation and re-installation,</p> <p>+</p> <p>Cash compensation on a one-time basis (transitional allowance) to be determined on a case-to-case basis during social survey by obtaining relevant data on income and livelihood. Transitional allowance shall be paid in the amount of 3 months minimum wage at country level</p> <p>+</p> <p>Replacement premises for lease, if premises were leased from state</p>
	<p>PAPs, 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)</p>	<p>Cash compensation for the building at replacement cost of the structure, including taxes</p> <p>+</p> <p>Costs of equipment and inventory relocation and re-installation</p> <p>+</p> <p>Cash compensation on a one-off basis (transitional allowance) to be determined on a case-to-case basis during social survey by obtaining relevant data on income and livelihood. Transitional allowance be paid in the amount of 3 months minimum wage at country level</p>

Type of loss	Person with rights	Compensation policy
Loss of non-agricultural businesses	Owner of business	<p>Cash compensation for relocating the business, including compensation for immovable inventory and replacement cost of investment.</p> <p>+            compensation for lost net income over the period to re-establish the business</p> <p>+            Any registration taxes.</p> <p>+            Appropriate level of support for improving the skills if necessary, to perform restoration of income source (livelihood).</p>
Loss of non-agricultural businesses	Workers, employees	<p>In case of disturbance of income source compensation on a one-time basis will be paid. Transitional allowance be paid in the amount of 3 months minimum wage at country level</p> <p>+            Training for alternative jobs if possible.</p> <p>+            Priority in employment on the Project, if possible and on a case by case basis (In accordance with social assessment processed in RAP)</p>
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	<p>Cash compensation for building at full replacement cost</p> <p>+            Compensation for costs of relocation (moving allowance) and cash compensation on a one-time basis (transitional allowance, if rent was a source of livelihood). Transitional allowance be paid in the amount of 3 months minimum wage at country level</p>
<b>PHYSICAL RESETTLEMENT</b>		
Buildings (residential, houses, flats etc.)	Owner with formal title	<p>Cash compensation at replacement costs,</p> <p>+            +</p>

Type of loss	Person with rights	Compensation policy
		<p>Payment for relocation costs (moving allowance) and compensation for other costs during relocation and cash compensation on a one-time basis (transitional allowance).</p> <p>or;</p> <p>At property owner demand, if legal terms are met, replacement property of equal or higher value, in direct proximity or in the surroundings of the expropriated property together with all costs of resettlement and administrative fees needed for transfer of ownership rights, if any</p>
	<p>Informal owner - building constructed without building permit on one's own plot of land if subject to legalization</p>	<p>Same as owner with formal title</p>
	<p>Informal owner - building constructed without building permit on one's own plot of land or constructed without building permit on someone else's or state-owned - not eligible for legalization</p>	<p>Cash compensation for the building at replacement cost of the structure + Payment for relocation costs (moving allowance) and compensation for other costs during relocation and cash compensation on a one-time basis (transitional allowance) Transitional allowance be paid in the amount of 3 months minimum wage at country level</p>
	<p>Lessee of the affected property</p>	<p>Payment of resettlement costs and compensation for other costs caused by relocation and cash compensation on a one-time basis (transitional allowance).</p>
	<p>Lessee or person with occupancy right to state owned flat</p>	<p>Provide lease or occupancy rights of same kind of another equivalent, social or state-owned property in the vicinity.</p> <p>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, that offers similar conditions to original flat (e.g., access to services, etc.)</p>

Type of loss	Person with rights	Compensation policy
		Payment for relocation costs (moving allowance) and compensation for other costs during relocation and cash compensation on a one-time basis (transitional allowance) evaluated based on potential extra costs incurred by increased commuting costs.
Unviable buildings	Owner of building	In case that the remaining building is not viable or under a physical impediment for physical use can be expropriated upon PAP's request. Compensation is provided in the way as prescribed for that type of building in accordance with this matrix.
<b>Other resettlement situations</b>		
Publicly or state-owned buildings, schools, kindergartens, or part of buildings	Informal users, squatters	Payment for relocation costs (moving allowance) and compensation for other costs during relocation and cash compensation on a one-time basis (transitional allowance). + Assistance in finding new accommodation
Loss of access to usual resources and buildings	Communities or households	Replacement of public ownership or conveniences (roads and the like). Access to equal conveniences or services. Construction Contractor shall provide uninterrupted access during road works and beyond.
Impacts caused by temporary occupancy of land and any damages to the property	Property owner	Market price of lease for duration of the occupancy. 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 PAP. + Replacement cost in accordance with this matrix for affected crops, orchards, nurseries etc. + Compensation for any damages to the property evaluated at replacement costs.
Impact on vulnerable groups	Vulnerable PAPs: persons below the poverty line in accordance with national laws, households led by	On top of all rights defined in this matrix, vulnerable PAPs will be provided additional assistance including legal assistance and help during physical relocation. Any additional support required for any affected vulnerable households determined during socio-economic survey will be confirmed on case-

Type of loss	Person with rights	Compensation policy
	women, single parent, elderly, disabled person or those with long-term health problems.	to-case basis during RAP implementation process. These PAPs are given priority of employment on the project if that is possible.
Undetermined impact	Owner or formal beneficiary	Any undetermined impact will be mitigated in accordance with principles and aims of the RPF and this RAP once approved by the IFIs and the Promoter.

At the valuation stage, the Beneficiary of Expropriation contacts the Taxation Administration for the assessment of fair value for all land. The process has been initiated but not all land parcels have received valuation. This process is expected to be completed by end of 2020. In the specific case of agricultural land, the Beneficiary of Expropriation contacts the Ministry of Agriculture Forestry and Water Management (MAFWM, which provides an assessment of the availability of comparable agricultural land. As a principle the Project Affected Persons, can be present during the valuation process. After the valuation, the Beneficiary of Expropriation presents the offer to the Project Affected Person. At this point, the Project Affected Person also agrees to transfer access to the land to the Beneficiary of Expropriation for the commencement of works. If the Project Affected Person does not accept the offer they can apply to the court, following the standard procedures set forth by Serbian law. The ruling of the court also determines who pays the cost of litigation.

#### 6.4 Compensation principles for structures

The Law on Expropriation is to a major extent aligned with the replacement cost principle in accordance to EBRD and EIB requirements. The formula used for auxiliary structures such as fences, shacks, barns, henhouse, pile retaining walls, staircases, outdoor WC, standalone terraces, verandas etc. is best represented below:

$$C = M \times Q + T + L + C_f + U + T_x$$

- C- Compensation at replacement cost
- M-Market cost of material
- Q-Quantity of material needed
- T- Transport of material to construction site
- L- Cost of labour
- C<sub>f</sub>- Contractor's fee and supervision cost
- U- Cost of utility connections
- T<sub>x</sub>- registration and transfer taxes

#### 6.5 Compensation principles for crops

Independent court experts (agricultural, forestry and other experts of relevant expertise) conduct valuation crops attached to the land in line with the provisions of the Law on Expropriation. The determination of the full replacement value requires consideration not only of the yield of the crop over one year, but also of the cost of re-establishing the plantation (seedlings, soil preparation, fertilizers, etc.), as well as of the lost income during the period needed to re-establish the crop.

Compensation rates are determined by application of the following formula:

$$C = V \times D + CP + CL$$

V - Average market value of the produce of one tree for one year (determined according to market prices at truck road or another loading or the place of purchase, less the costs of production)

D - Average period of time required to re-establish the tree to an adult production level, in years

CP - Cost of planting (seedling, soil preparation, initial fertilization)

CL - Cost of the labour required to maintain the crop during the period of time needed to re-establish

it to its previous production level

The calculated unit rate C is then applied to the whole plot assuming either an average density or based on the precise count of all standing trees.

## **7 GRIEVANCE MANAGEMENT AND REDRESS**

### **7.1. Beneficiary feedback and grievance redress**

In general, the national institutional framework addressing grievances is strong and broadly compatible with IFI's resettlement policies. Respecting the grievance panels and its authorities made available under the national legislation and in order to fully comply with the IFI's resettlement policies, a Project Specific Grievance Mechanism shall be designed. Given the type of potential Project impacts, the Project will have a central redress mechanism i.e., the Central Feedback Desk (CFD) at the level of the Project Promoter namely KS. The CFD shall serve as both Project level information Centre and grievance mechanism. The CFD will be applicable to all Project activities and relevant to all local communities affected by project activities implemented within both affected communities.

The CFD shall be responsible for receiving and responding to grievances and comments of the following two groups:

- i) A person directly affected by the project including the impact due to land acquisition,
- ii) Residents interested in and/or affected by the project living in the affected municipalities.

The CFD shall be established prior to commencement of the expropriation process, in order to manage and appropriately answer complaints made by the population located within the Project area of influence during its different phases. It will equally be authorized to receive complaints in respect to expropriation, construction, and operation. In addition, this procedure will help to improve the Project social performance.

The Project Promoter will ensure that Project Affected Persons are fully informed of the grievance mechanism by communicating the role and existence of the CFD its function, the contact persons and the procedures to submit a complaint in the affected areas. Information on the CFD will be available:

- on the website of the Project Promoter
- by distribution of brochures to affected communities,
- on the notice boards and websites of respective municipalities once exact location have been identified.

### **7.2. Raising grievances**

Effective grievance administration strongly relies on a set fundamental principle designed to promote the fairness of the process and its outcomes. The grievance procedure shall be designed to be accessible, effective, easy, understandable and without costs to the complainant. Any grievance can be brought to the attention of the CFD personally or by telephone or in writing by filling in the grievance form by phone, e-mail, post, fax or personal delivery to the address below Any grievance can be brought to the attention of the GC personally or by telephone, or in writing by filling in the grievance form (by post, fax or personal delivery to the address given below:

Koridori Srbije

Central Feedback Desk  
Kralja Petra 21  
11000 Beograd  
Phone: +381 11 3344 174

E-mail: [office@koridorisrbije.rs](mailto:office@koridorisrbije.rs)

To the attention of: Miroslav Radulovic , Grievance Administrator

and to additional local addresses/numbers to be determined later in agreement with the respective members of local municipalities and the communities. The access points and details on entry points shall be publicized and shall be part of the awareness building process. Grievance can be raised anonymously.

### **7.3. Grievances administration**

Any grievance shall follow the path of the following mandatory steps: Receive Assess and assign, Acknowledge, Investigate, Respond, follow up and close out.

Once logged the CFD shall conduct a rapid assessment to verify the nature of grievances and determine on the severity. Within 3 days from logging it will acknowledge that the case is registered and provide the complainant with the basic next step information. It will then investigate by trying to understand the issue from the perspective of the complainant and understand what action he/she requires. The CFD will investigate by looking into the facts and circumstances interview all parties involved and confer with relevant stakeholders. Once investigated, and depending on the severity and type of grievance, the provisional decision shall be discussed with the complainant in the timeframe of 10 days after logging the grievance. Unilaterally announcement shall be an exception. The final agreement should be specific and issued and grievant informed about the final decision not later than 20 days after the logging of the grievance. Closing out the grievance occurs after the implementation of the resolution has been verified. Even when an agreement is not reached, or the grievance was rejected it is important to document the result, actions and effort put into the resolution, close out the case.

In case of anonymous grievance, after acknowledgement of the grievance within three days from logging, the CFD will investigate the grievance and within 20 days from logging the grievance, issue final decision that will be disclosed on the website of the KS. Closing out the grievance occurs after the implementation of the resolution has been verified.

The CFD shall keep a grievance register log that will have all necessary elements to disaggregate the grievance by gender of the person logging it as well as by type of grievance. Each grievance will be recorded in the register with the following information at minimum:

- description of grievance,
- date of receipt acknowledgement returned to the complainant,
- description of actions taken (investigation, corrective measures), and
- date of resolution and closure / provision of feedback to the complainant

### **7.4. Grievance and beneficiary feedback reporting**

The role of the CFD, in addition to addressing grievances, shall be to keep and store comments/grievances received and keep the Central grievance log administered by the Project promoter. In order to allow full knowledge of this tool and its results, quarterly updates from the CFD shall be available on the [www.koridorisrbije.rs](http://www.koridorisrbije.rs) and the websites of Municipality Prokuplje [www.prokuplje.org.rs](http://www.prokuplje.org.rs).

The updates shall be disaggregated by gender, type of grievances /complaints. In order to have continuous dialogue, quarterly public meetings shall be held to discuss the outcomes of grievances, in general, discuss the grievance/complaints report and inform the community about current Project activities.

#### **7.5. Constitution of CFD**

KSDOO has appointed a Public outreach specialist (POS) to be responsible for the CFD and 4 additional persons, two from each Municipality one of which shall be representative of the local community and one a municipal official by the time public consultations on this RPF have been completed. This will allow any potential grievance to be addressed even at the planning stage. The POS will be an employee of the Project promoter with the CFD administration function assigned. Each member from both municipalities will be an employee of the respective Municipality, a person familiar with the procedures, community and the impact area. The POS will be responsible to administer any grievance received, take any action necessary to address the grievance and inform the complainant about the outcome of the process. The POS will be a person with excellent knowledge of the Project and its components, as well as the role and responsibilities of all the stakeholders. She / he shall create and maintain an exhaustive data base of stakeholders, their responsible persons and representatives. Once the grievance is received POS shall communicate with the adequate stakeholder, explain the issue and propose adequate measures. The CFD shall prepare a guideline and grievance brochure to be distributed among the affected communities which will include notifications to the local community on the grievance procedure distributed through leaflets and radio announcements.

#### **7.6. Construction grievances**

During the Construction Phase every Contractor shall, as per requirements of the national law, provisions of the contract for construction works, assign the role of a Grievance officer to complement the existing grievance mechanism and will be governed by rules of national legislation, IFIs adopted policy standards, Good International Practices.

The Contractor grievance mechanism will be led by the Grievance officer. The Contractor Grievance officer will monthly report to CFD about number of grievances received, categories of grievances, time taken for resolution of grievances, percentage of resolved grievances etc. The Contractor Grievance officer will inform grievant about the possibility to raise grievance before Project CFD if not satisfied with the decision of the Officer. If that grievance is then raised before CFD, CFD will issue final decision.

#### **7.7. Monitoring of grievance management**

The monitoring of Grievance management will be through a set of indicators ensuring effective and timely resolution of grievance. The indicators will be measures within the reporting periods. The indicators are listed below:

- Number of Grievances received;
- Number (%) of Grievances acknowledged within the timeframe;
- Number (%) of Grievances unilaterally decided;
- Number (%) of Grievances closed within the specified timeframe;
- Number (%) of grievance related to a same or repeated event and /or location to identify areas most affected by potentially negative impacts of the project.
- Number (%) of grievance received comparing to the previous reporting period.

- Number (%) of complainant satisfied with the process (timely, fair)
- Number (%) of complainant satisfied with the outcome.

## **8 CONSULTATION AND STAKEHOLDER ENGAGEMENT**

KSDOO together with the representatives of Municipal departments in charge of expropriation, is responsible for communicating necessary project and process information, as discussed in the RAP and SEP, to affected communities, Project Affected People (PAPs) and representatives of the Local Community Offices. KSDOO is assisting the city officials in understanding the requirements set out in the RPF and RAP.

KSDOO carried out public consultations in early stages of preparation of the RAP and information dissemination reflecting main issues of relevance to the Project. These meetings were held during the ESIA phase when PAPs identified from the scope of the Spatial Plan were identified. Meetings were held during 2016 and 2017 and a total of 198 persons attended. The most frequent question was related to the entitlement matrix and whether all investments on the land and assets attached to the land will be compensated. The second most frequent question was related to partial land take and options available in case orphan land is not viable.

Immediately before the commencement of civil works, all stakeholders will be timely informed about the Project's scope and contacts for further information inquiries, the available grievance mechanism and the disclosure of the publicly available Project documents through:

- announcements in the local daily media.

### **8.1. Disclosure and consultations requirements during preparation of draft and final RAP**

The draft RAP in Serbian and English will be disclosed on the website of KSDOO and on the website of the Municipality Prokuplje and EBRD. On the same date the Public invitation to the consultation will be announced and disclosed at notice board of the municipality and individual invitation sent to the PAPs. The public invitation is presented in Annex 1 – Invitation to Public Consultation on Draft RAP.

The consultations will take into account unbinding advise provided by EBRD to its Clients under Stakeholder Engagement (PR 10) Briefing note on COVID-19 <https://www.ebrd.com/covid19-consultation.pdf> in the adaptation of the stakeholder engagement activities to the Covid-19 pandemic situation and the Guidance note to EIB promoters on environmental and social performance in EIB-financed operations in response to the COVID-19 outbreak crisis dated May 2020 The Project active engagement with stakeholders will therefore need to develop alternate plans, taking account of mandatory, national COVID-19 restrictions and social distancing. The actual method of engagement will be decided based on the restriction in place at the time of planning and actual engagement meetings.

During the 14 days aimed for insight into the draft RAP document, questions and comments will be able to be submitted in writing (e-mail or letter) or by phone or attendance can do so during the public consultation,

The invitation will include information on where and when the public consultation will be held, where the draft RAP can be accessed.

This final RAP will be disclosed in Serbian, and English on the KSDOO and EBRD websites, as well as made available as printed copies at the premises of Local Municipalities Merošina and Prokuplje and

Koridori Srbije D.O.O. Kralja Petra 21, 1100 Beograd.

## 9 IMPLEMENTATION SCHEDULE

The implementation schedule is designed to be conducted in parallel with preparation of the technical documentation and permits allowing timely access and possession to the site necessary for the construction activities.

**Table 41: Implementation Schedule for Section 2,3 and 4 in Prokuplje Municipality**

N°	Activity	Responsibility	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2- Q4
1	Census and socioeconomic baseline data	KSDOO						
2	Review of EBRD and EIB	EBRD and EIB						
3	Disclosure of draft RAP	KSDOO & Municipality of Prokuplje						
4	Public consultations	KSDOO						
5	Disclosure of final RAP	KSDOO						
6	Land acquisition	KSDOO/PERS						
7	Valuation of land & assets at negotiation stage	PERS & Tax administration office & Accredited experts						
8	Payment of compensation	PERS						
9	First RAP Monitoring report	KSDOO						
10	Completion report	Technical assistance consultant engaged by KSDOO						

## 10 MONITORING AND EVALUATION

### 10.1. Institutional monitoring

Efficient expropriation and resettlement depend on dedication and capacities of all institutions responsible for preparation and implementation of the process of resettlement. The Project Promoter will appoint a person responsible for resettlement and preparation of the expropriation and resettlement process, coordinate the Activities of expropriation between agencies, municipalities and ministries. To comply with PR 5 and ESS6 two distinct, but related types of monitoring and evaluation will be undertaken. Generally, monitoring and evaluation activities are divided into the following two key components:

- Implementation monitoring and evaluation; and
- Outcome evaluation.

KSDOO will also keep a database of resettlement and expropriation with all information about persons and property, with all cases of expropriation and a detailed list of all completed phases (submission of expropriation proposition to the competent municipality, compensation offer, agreements regarding the compensation, compensation payment, and payment of assistance during relocation etc.).

The Supervision consultant to be engaged by the Project Promoter will be obliged to constantly monitor if the Project requires temporary occupation of land and inform the Promoter monthly. The Contractor will be obliged to address the Promoter with the information that temporary occupancy of land is needed and to provide information on negotiations and stakeholder engagement conducted as well as the initial proposal for the compensation agreement. The Contractor will be required to obtain the Promoters prior approval to any contract with reference to the temporary occupation of land. The prior approval will ensure that the provisions of the contract are in compliance with the RPF and individual RAP. Furthermore, the Promoter will include such requirement in the tender documents and subsequently in the Contracts for Construction works. The Contractor shall keep a register of all contracts and a stakeholder engagement log. The supervision consultant will have the obligation to include data on additional land requirements, consultation and outcome in the monthly progress reports. The Supervision consultant will monitor implementation of individual contracts. Some institutions have additional obligations in monitoring the resettlement process:

**Table 42: Monitoring responsibilities**

<b>Task</b>	<b>Responsibility</b>
<b>Disclosure of the RAP</b>	KSDOO
<b>Information disclosure to all PAPs about the procedure of the beginning of expropriation and during all phases of expropriation</b>	KSDOO and LM
<b>Communication and consultation with PAPs</b>	KSDOO and LM
<b>Activities prior to commencement of works</b>	KSDOO and LM
<b>Providing assistance during resettlement</b>	KSDOO and LM
<b>Compensation payment</b>	BoE
<b>Grievances management</b>	KSDOO
<b>Monitoring and reporting on expropriation and resettlement</b>	KSDOO/External consultant
<b>Monitoring and reporting after commencement of works</b>	Contractor

### 10.2. Monitoring of temporary land access for construction works

During construction works the Contractor may need to temporary occupy privately owned land. The Supervising Consultant yet to be engaged to supervise the civil works will be obliged to monitor and report monthly if the need for temporary occupation of land has arisen. The Contractor will be obliged to address the Project Promoter via the Supervision Consultant informing that temporary occupancy of land is needed and to present the negotiated agreement with the PAP affected by such impact. Such negotiated agreement will be subject to Promoters prior No Objection ensuring that the provisions of the contract are in compliance with the principles of this RAP. Project Promoter will include such provisions in the Tender Documents and subsequently be transferred into the Contract for Construction works setting as mandatory compliance with the provisions of this LARF to the extent applicable. Such arrangements shall be included in the Contract for Consultancy services also. KSDOO shall keep a database in the form of excel spreadsheets and send semi-annual updates to the EBRD/EIB.

### 10.3. Completion Report

The Beneficiary of Expropriation will monitor the implementation of the resettlement processes, both through internal, official institutional arrangements, as well as by an independent, external consultant, to be appointed by implementing entity. The external monitoring and evaluation consultant will be appointed prior to construction starting on any subproject and will have obligation of reporting on semi-annual basis.

Based on the semi-annual report an in-house completion report will be prepared within 2 months of resettlement completion to summarize the implementation of the RAP. The report should verify that all physical inputs committed in the RAP have been delivered and all services provided. In addition, the report should evaluate whether the mitigation actions prescribed in the RAP have had the desired effect. The socioeconomic status of the affected population should be measured against the baseline conditions of the population before displacement, as established through the census and socioeconomic studies. The internal completion report is considered appropriate in comparison to the extent of impact.

Efficient expropriation and resettlement depend on dedication and capacities of all institutions responsible for preparation and implementation of the process of resettlement. The Project Promoter will appoint a person responsible for resettlement and preparation of the expropriation and resettlement process, coordinate the Activities of expropriation between agencies, municipalities and ministries.

The Project Promoter will also keep a database of resettlement and expropriation with all information about persons and property, with all cases of expropriation and a detailed list of all completed phases (submission of expropriation proposition to the competent municipality, compensation offer, agreements regarding the compensation, compensation payment, and payment of assistance during relocation etc.).

The Supervision consultant to be engaged by the Project Promoter will be obliged to constantly monitor if the Project requires temporary occupation of land and inform the Promoter monthly. The Contractor will be obliged to address the Promoter with the information that temporary occupancy of land is needed and to provide information on negotiations and stakeholder engagement conducted as well as the initial proposal for the compensation agreement. The Contractor will be required to obtain the Promoter's prior approval to any contract with reference to the temporary occupation of land. The prior approval will ensure that the provisions of the contract are in compliance with the RPF and individual RAP. Furthermore, the Promoter will include such requirement in the tender documents and subsequently in the Contracts for Construction works. The Contractor shall keep a register of all contracts and a stakeholder engagement log. The supervision consultant will have the obligation to include data on additional land requirements, consultation and outcome in the monthly progress reports. The Supervision consultant will monitor implementation of individual contracts.

## **11 REPORTING**

The Project Promoter will conduct internal periodical (monthly or quarterly depending on the external reporting required by the financing institutions and the stage of expropriation process) monitoring so that efficiency of the expropriation process and outcome could be assessed.

Output indicators for monitoring of the process are as follows:

- Number of public discussions and consultations on RAPs;
- Number of completed expropriation studies;
- Percentage of purchased land in relation to needed land acquired for the purposes of the Project, including total expropriated land area, and land area per person;
- Number of completed compensation payments;
- Number of replacement properties given and houses provided;
- Number of PAPs affected by RS exercising its right of ownership on buildings and land;
- Number and amount of payment for loss of income;
- Number and type of assistances provided to vulnerable groups of PAPs; and
- Number and type of grievances, including legal Actions arising from expropriation (submitted cases, resolved cases, time needed for their resolution).

The monitoring of outcome of the resettlement process will be through specific metrics demonstrating whether livelihoods have effectively been restored post-displacement and that affected people are at least as well off after implementation. The Project Promoter will make a particular effort to validate whether vulnerable PAPs have been able to effectively restore their livelihoods.

The outcome of the resettlement process shall be monitored by the following outcome indicators:

- Changes in income levels and levels of expenditure of PAP and families based on census prior to Project beginning, during the Project (annually) and upon Project completion - Number and % of person with improved household income;
- Assess whether the standard of living seems improved or deteriorated (e.g., if the household reporting that they bought new furniture, cars, equipment etc.) - Number and % of persons with improved housing conditions;
- Re-establishment of land-based incomes/ livelihoods - Have those who were using land as a source of livelihood/ income managed to re-establish this source and level of livelihood/income and specifically the situation of any users of land, particularly informal ones. - Number and % of persons with re-established land-based income;
- Re-establishment of businesses - survey of net income and comparison to baseline data and survey of employees and their earnings and comparison with baseline data (annually). - Number and % of persons with re-business;
- Monitor payment of compensation at full replacement cost - Investigate whether recipients of cash compensation who bought replacement properties (land, houses) were able to purchase a similar (or better) property
- Satisfaction with replacement housing/residence. Number and % of satisfied persons. Number and % of persons decreased among those living below poverty line.
- Average time for payment of compensation, including average time between acceptance of the offer/signing of the contract and the execution of compensation.
- Number of received, open and closed grievances; any trends; and average time for grievance processing.

The Project promoter shall monitor the implementation of the resettlement process both through internal, official institutional arrangements, as well as by a periodical independent external consultant, to be appointed by the Project Promoter. The external monitoring and evaluation consultant will be appointed prior to beginning of resettlement and will have an obligation to report quarterly. Based on the quarterly reports the PIU shall do an in-house or external completion (subject to agreement of the respective IFI) report within 2 months of resettlement completion to summarize the implementation. The report should verify that all physical inputs committed in the site-specific RAPs have been delivered and all services provided. In addition, the report should evaluate whether the mitigation actions prescribed have had the desired effect. The socioeconomic status of the affected population should be measured against the baseline conditions of the population before displacement, as established through the census and socioeconomic studies. The final completion audit report will be conducted by an external consultant under a ToR to be approved by EIB and EBRD respectively.

## **12 COSTS AND BUDGET**

As per national requirements the cost of the land acquisition is financed by the Beneficiary of Expropriation. The proceeds required for land acquisition were secured and allocated within the Business Plan of PERS. The total amount made available for land acquisition, loss of assets attached to the land, moving and transitional allowance amounts up to 640.000.000,00 RSD equalling to 5.423,728,81 mil EUR.

## Annex 1 – Invitation to Public Consultation on Draft RAP



KSDOO issues an invitation  
for

### **PUBLIC CONSULTATIONS**

To Mrs/Ms/Mr \_\_\_\_\_

on

#### **RESETTLEMENT ACTION PLAN (RAP)**

#### **For the Construction of NIS – Beloljin**

To be held on \_\_\_\_\_, 2020 at XX:XX PM (Local time ) at the XXXX

The document subject to the consultation is made available in hard copies at the following addresses:

- At the premises of Koridori Srbije d.o.o. Kralja Petra 21, 1100 Beograd, , on the first floor, room no. 1.20, on working days from 11:00 AM to 01:00 PM (local time), within 14 days in regards to the date of public announcement of this invitation.
- the premises of Municipality Prokuplje .
- On the website of the Municipality of Prokuplje [www.prokuplje.rs](http://www.prokuplje.rs)

Questions and concerns in respect to the provisions of the documents can be submitted in writing to the following address below as well as by e-mail and be submitted and stated directly during the consultation.

If you need any additional information, please contact:

KORIDORI SRBIJE D.O.O  
Kralja Petra 21  
11000 Belgrade, Serbia  
Tel: +381-(0)11-33-44-174  
E-mail: [office@koridorisrbije.rs](mailto:office@koridorisrbije.rs)

## Annex 2 – Request for Access to Information of Public Importance

**NOTE: This is an unofficial translation only. Requests should be made in Serbian**

.....

name and head office of the addressed authority

### REQUEST

#### For Access to Information of Public Importance

On the basis of Article 15 section 1 of the Law on Free Access to Information of Public Importance (“Official Gazette of Republic of Serbia” No. 120/04, 54/07, 104/09 and 36/10), I hereby request that the authority first written above grant me the following: \*

- notification as to whether it is in possession of the requested information;
- insight into the document containing the requested information;
- copy of the document containing the requested information;
- sending of the document containing the requested information: \*\*
- by mail
- by electronic mail
- by fax
- by other means: \*\*\* \_\_\_\_\_

This request relates to the following information:

\_\_\_\_\_

\_\_\_\_\_ (please provide as detailed an account of the requested information as possible, as well as any other data that could facilitate information retrieval)

\_\_\_\_\_

Applicant / Name and Surname

In \_\_\_\_\_,

\_\_\_\_\_ Address

On \_\_\_\_\_ 202\_\_ (date)

\_\_\_\_\_ Other contact data

\_\_\_\_\_

Signature

\* Check the box next to the legal right to access to information that you wish to exercise.

\*\* Check the box next to the means by which the copy of the document is to be sent.

\*\*\* If you require the copy to be sent by other means, please indicate by which other means.

## Annex 3 – Survey questionnaire

### I - Identification of property owner and respondent

- 1.1. Owner's name \_\_\_\_\_
- 1.2. Age and gender \_\_\_\_\_
- 1.3. Phone number. Landline \_\_\_\_\_ Mobile \_\_\_\_\_
- 1.4. Cadastral municipality in which expropriated property is located \_\_\_\_\_
- 1.5. Parcel number \_\_\_\_\_
- 1.6. Cadastral municipality in which the owner has permanent residence \_\_\_\_\_
- 1.7. Name of the respondent (if different from owner) \_\_\_\_\_
- 1.8. Age and gender \_\_\_\_\_
- 1.9. Affiliation with Expropriated Property Owner \_\_\_\_\_
- 1.10. Phone number. Landline \_\_\_\_\_ Mobile \_\_\_\_\_

### II – Household structure

2. Other persons living in the same household? **YES** **NO** (Please mark relevant).

If **YES**, what is:

- Number of children under 19 years of age \_\_\_\_\_
- Number of members 19 to 65 years old \_\_\_\_\_
- Number of members 65 and older \_\_\_\_\_

3. Is there a person in the household who is unable to live independently i.e. who needs constant care? **NO** **YES** (Please mark relevant)

If **YES**, please provide more details about this person(s):

### III - Type of household impacts related to land acquisition for the construction activities:

III - 1. Loss of agricultural land

4. What is the area of land the household owns: **Agriculture land** \_\_\_\_\_ m<sup>2</sup>, **forest land** \_\_\_\_\_ m<sup>2</sup>; **other land** \_\_\_\_\_ m<sup>2</sup>

5. What is the area of the parcel / land subject to expropriation \_\_\_\_\_ m<sup>2</sup>.

**Note:** If structures attached to the land are subject to land acquisition their area are not to be calculated herein. The data should be provided in the sheet for residential structures or business premise if on separate parcel.

6. Is the whole plot or only part of it to be expropriated? **WHOLE** **PART** (Please mark relevant)

7. If only part of the plot is expropriated what is the area of this part \_\_\_\_\_ m<sup>2</sup>

8. Will you file an application for expropriation of the orphan land (under Article 10 of the Law on Expropriation which enable expropriation of unviable parcel during 2 years after completion of construction works) (Please mark relevant)

- No, the whole parcel is expropriated.
- I am not interested in surrendering the orphan land.
- Yes. I will ask
- I am not aware/informed of such a possibility.

9. Is the affected land in **your sole ownership** or **co-owned by others**? (Please mark relevant).

How many co-owners \_\_\_\_\_

10. Type of expropriated land as registered in the cadastre (Please mark relevant): **mostly arable land, predominantly vineyard, predominantly orchard, something else** \_\_\_\_\_

11. Do you lease the land subject to expropriation? **YES NO** (Please mark relevant)

12. Does your household employ non-domestic workers to cultivate expropriated land?

**YES NO** (Please mark relevant)

13. Is expropriated land an important source of income for your household?

**YES**

**NO NOT ENGAGED IN AGRICULTURE** (Please mark relevant)

14. Income per year from this parcel? \_\_\_\_\_

15. Will you continue farming after the expropriation of this agricultural land.

**YES NO NOT ENGAGED IN AGRICULTURE** (Please mark relevant)

Why?

16. Are you planning to buy new farmland?

**YES NO NOT ENGAGED IN AGRICULTURE** (Please mark relevant)

Why?

17. Does the land affected host auxiliary structures? **YES NO** (Please mark relevant)

If yes, please specify type of structures and the area:

#### IV – Revenues

18. Total monthly household income (cumulative for each type of income and for all household members)

##### Labour income (RSD / month)

Income from permanent employment	Income from own private business	Income from occasional and seasonal work	Pension income	Agricultural income, total annually
RSD	RSD	RSD	RSD	RSD

**Social assistance income (RSD / month)**

Social aid	Child Bonus	Disability bonus
RSD.	RSD.	RSD.

**Real estate income and other income (RSD / month)**

<b>Real estate revenue</b>		<b>Other revenue</b> (Family support and others)
Renting a house or apartment	Rent of agricultural land	
RSD.	RSD.	RSD.

19. Household debt. Does the household have a monthly loan repayment obligation?

**NO**      **YES**      (Please mark relevant)

20. How do you assess the socio-economic position of your household (round off):

- |                     |                 |
|---------------------|-----------------|
| 1. As above average | 3. As poor      |
| 2. As average       | 4. As very poor |

21. What is the most important reason why you evaluated your economic situation that way?

22. How do you plan to spend the money gained from the expropriation?

1. For acquisition of a building plot, house or flat
2. For starting a business
3. For acquisition of other agricultural land
4. For acquisition of agricultural machines
5. For medication and treatment
6. To save
7. For children and/or grandchildren education
8. For everyday life
9. For acquisition of a car
10. Other, what? \_\_\_\_\_

23. Do you know whom to approach for the protection and exercise of your rights regarding expropriation procedure and highway construction? (round off)

1. Yes, I know
2. No, I don't know whom I can turn to
3. I will try to inform myself

If you know, please indicate to whom you might be approached and why

24. Did you have any reason to complain on preparing works on the construction of the Highway up to now?      **YES**      **NO** (round off)

**IF YES**, please note what was about?

Please, add any comments you have in regard to the preparing works for Highway construction

Thank you for your cooperation!

Questionnaire completed \_\_\_\_\_ Date and time of interview \_\_\_\_\_

### **III - 2: ADDITIONAL ISSUES ASKED ONLY BY OWNERS WHO EXPAND THE RESIDENTIAL FACILITY**

**Owner's name** \_\_\_\_\_

25. The area of the plot / plot where the residential building is located \_\_\_\_\_ m<sup>2</sup>

26. Purpose of the object (Please mark relevant):

- For permanent residence of the owner and / or members of his / her household
- For rest and recreation
- For agricultural work
- For rent
- Not used, not occupied

27. The gross area of the building is \_\_\_\_\_ in square meters

28. Year of construction / reconstruction of the facility \_\_\_\_

29. Building credit (round off):      **solid material;**      **manual material**

30. Amenities of the structures (please mark relevant and add as appropriate): kitchen, bathroom, connection to the water supply / hydro; connection to the sewage system or septic tank, electricity, garage, other: \_\_\_\_\_

31. Do you plan to purchase or build a new housing facility?      **YES**      **NO** (Please mark relevant)

If YES, please tell us where this facility will be located (name of the settlement/city):

(Please mark relevant)

- Not decided yet

- In the same settlement
- In the municipal centre
- In the town outside this municipality
- Has no plan to purchase or built new housing facility

#### **Annex 4 – Excel Spreadsheet with comprehensive Data for those expropriated**

Note: Full data with compensation amounts is provided in separate excel sheet and will not be part of the disclosure package as it contains personal information

## Annex 5– Grievance registration Form

Reference No: \_\_\_\_\_

Full Name \_\_\_\_\_

*Note: you can remain anonymous if you prefer, or request not to disclose your identity to the third parties without your consent. In case of anonymous grievances, the decision will be disclosed at the Projects website: [www.koridorisrbije.rs](http://www.koridorisrbije.rs)*

First name \_\_\_\_\_

Last name \_\_\_\_\_

I wish to raise my grievance anonymously

Gender of complainant (completion of this field is optional)

Male  Female  Other \_\_\_\_\_ (please indicate)

I request not to disclose my identity without my consent Contact Information Please mark how you wish to be contacted (mail, telephone, e-mail).

By Post: Please provide mailing address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By Telephone: \_\_\_\_\_

By E-mail \_\_\_\_\_

I will follow up of the resolution at the website as I want to remain anonymous

Preferred Language for communication  Serbian  Other (*indicate*) \_\_\_\_\_

Description of Incident or Grievance (*What happened? Where did it happen? Who did it happen to? What is the result of the problem? Date of Incident/ Grievance*)

\_\_\_\_\_

One-off incident/grievance (date \_\_\_\_\_)

Happened more than once (how many times? \_\_\_\_\_)

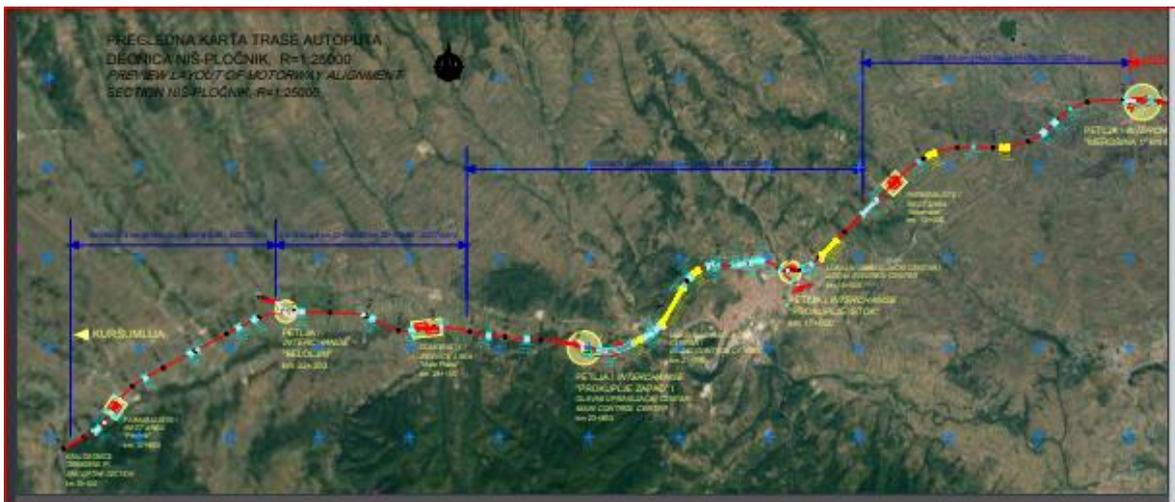
On-going (currently experiencing problem) What would you like to see happen to resolve the problem?

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please return this form to: Koridori Srbije d.o.o.

## Annex 6 – GLAC

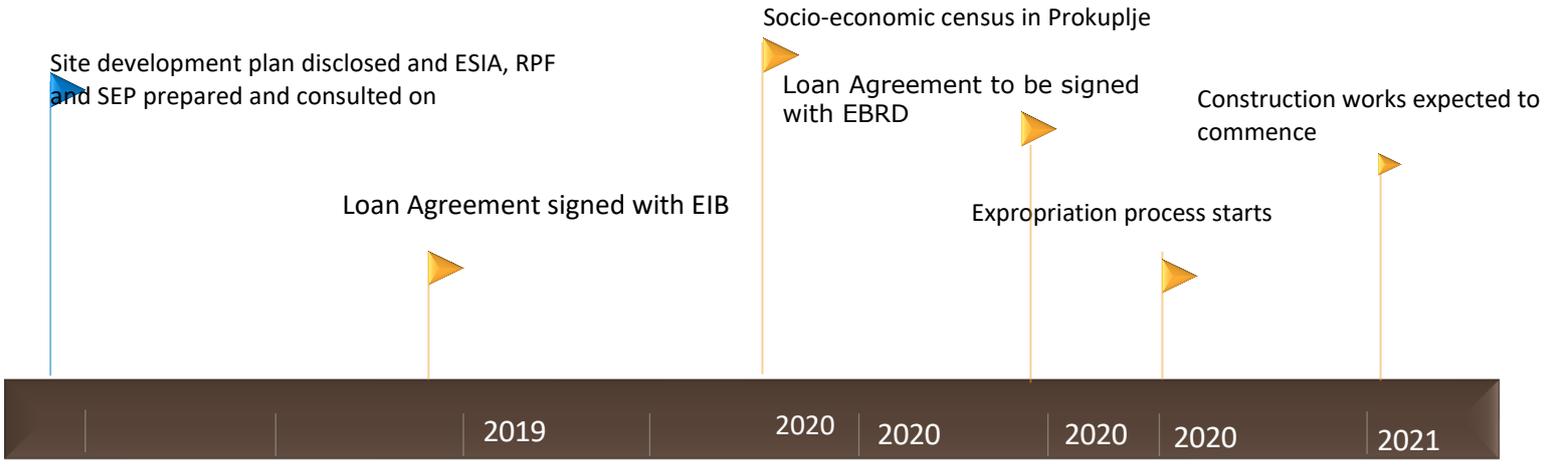
### GUIDE FOR LAND ACQUISITION AND COMPENSATION FOR THE CONSTRUCTION OF THE 37,5 km LONG ROAD FROM MEROSINA TO BELOJIN



KSDOO -Koridori Srbije d.o.o. – Implementing Entity

EBRD - European Bank for Reconstruction and Development – International Financing Institutions supporting the Government of Serbia in development of the Project

EIB European Investment Bank - International Financing Institutions supporting the Government of Serbia in development of the Project



Since physical and economic displacement cannot be avoided, owners of land and physical structures in Merošina and Prokuplje will be impacted by involuntary resettlement.

KSDOO had the first meeting with PAPs and residents Prokuplje

Cut-off date announced in the local newspaper and notice placed at Municipal office after the completion of the census – December 1, 2020

Each affected **person affected by the project** is eligible to receive compensation and you will receive the following:

<p><b>Free legal advice and assistance</b> from the Legal Department of KSDOO to ensure access to compensation</p>	<p><b>Vulnerable persons and person subject to physical displacement will be receiving additional assistance</b></p>
<p><b>As an Owner of a land plot with a residential structure</b>, you can choose to receive cash compensation at full replacement cost. In addition, prior to the demolition, you are allowed to salvage and take any materials from the acquired property that you want and need. If you are not satisfied by the amount offered you may approach the grievance commission, or you will have the right to appeal the amount in court.</p>	<p><b>As the Owner of an agricultural land plot</b>, you will be receiving cash compensation at full replacement cost. You will be allowed to collect your crops from the plot before access to site is taken</p>
<ul style="list-style-type: none"> <li>○ THE LAND ACQUISITION IS REQUIRED BY THE GOVERNMENT TO DEVELOP THE PROJECT OF PUBLIC INTEREST;</li> <li>○ ALL PERSONS AFFECTED BY THE PROJECT ENUMERATED BEFORE THE CUT OFF DATE IS ENTITLED TO RECEIVE COMPENSATION;</li> <li>○ NO AFFECTED PERSON SHOULD BE WORSE OFF THAN PRIOR TO THE RESETTLEMENT</li> <li>○ SPECIAL ASSISTANCE IS GIVEN TO PEOPLE IF NEEDED;</li> <li>○ VALUATION OF PROPERTIES IS PERFORMED BY AN INDEPENDENT LICENSED APPRAISER PRICES OF PROPERTIES VARY DEPENDING ON THEIR CONDITION, LOCATION, ADDITIONAL ASSETS, CATEGORY AND OVERALL MARKET PRICES</li> </ul>	

## Step 1

- You will receive a written notification form the Municipality expressing the need of the Republic of Serbia to purchase your property.

## Step 2

- The Municipality will contact you in order to set a date and time for an individual meeting. During this meeting you can express your specific needs related to the resettlement, such as assistance in filling out documents, legal support, etc.

## Step 3

- You will be invited to provide **Document of ownership, certificate of inheritance** (in case the property is inherited), **layout of the property**, power of attorney (if necessary), **your inventory of perennial plants** (in case there are such within the property), **identity card** (of all owners), or declaration of informal use. All the specific and/or additional documents that need to be provided will be listed in the notification letter.

## Step 4

- You may require the unviable parts of land affected to be expropriated and compensated. You may decide to surrender such land immediately when the part needed for construction is expropriated or at any other time, You can assess whether the remaining land is indeed economically or otherwise not viable. Such request to surrender can be submitted several times, without prejudice, with the latest **submission date two years after the construction works have been completed**

## Step 5

- Once the evaluation is completed, the offer is officially submitted to you and sufficient time will be given to you for your further consideration.
- In case of agreement a compensation agreement is concluded.

## Step 6

- In case of disagreement with the offer, even after it has been revised to reflect your comments and concerns the case will be referred to the court to decide on the compensation

## Step 7

- After the agreement has been reached the payment will be executed within 15 days once you have provided Bank account details

CONTACT DETAILS FOR GRIEVANCES:

If you, as an owner, user of project affected asset or project affected person, have requests, grievances, suggestions, reports or queries related to the resettlement or land acquisition process, you can submit them to the Grievance Commission through phone, fax, e-mail or hard copy.

KORIDORI SRBIJE D.O.O.  
KRALJA PETRA 21  
11000 BEOGRAD  
E-MAIL: OFFICE @KORIDORISRBIE.RS  
+381 11 3344 174

It is preferred that the grievance is signed by the person filling it rather than submitting it anonymously, to receive a response.



Once logged the CFD shall conduct a rapid assessment to verify the nature of grievances and determine on the severity.



Within 3 days from logging, it the CFD will acknowledge that the case is registered and provide the complainant with the basic next step information. The CFD will then investigate by trying to understand the issue from the perspective of the complainant and understand what action he/she requires.



In case you are not satisfied with the response you received; you can lodge a grievance to the Project Management Team within Koridori Srbije. Send a copy of the original letter of grievance and a copy of the response received, attached to a letter of grievance addressed to the Project Management Team to the above address. The Project Management Team will act as second instance and will deliberate, discuss with you the facts of the case and will issue a written response.



If you disagree with the response, or at any other time you may resort for the relevant court of Law to decide on your grievance.

**Annex 7– Report on Public Consultations (pending)**