



ROAD REHABILITATION AND SAFETY PROJECT (RRSP)

RESETTLEMENT POLICY FRAMEWORK

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ACRONYMS AND ABBREVIATIONS

ARAP	Abbreviated Resettlement Action Plan
EBRD	European Bank for Reconstruction and Development
EBRD PR 5	EBRD Environmental and Social Policy Performance Requirement 5: Expropriation, Involuntary Resettlement and Economic Displacement
EIB	European Investment Bank
IFIs	International Financial Institutions
LGPD	Local Government's Property Department
OP/BP 4.12	World Bank Policy on Involuntary Resettlement
PERS	Public Enterprise "Roads of Serbia"
PIT	Project Implementation Team
RDB	Road Data Base
RPF	Resettlement Policy Framework
RRSP	Road Rehabilitation and Safety Project
RSA	Road Safety Audit
RTSA	Road Traffic Safety Agency
ToR	Terms of Reference
TRP	Transport Rehabilitation Project
WB	World Bank

Chapter I

1. INTRODUCTION

1. Road Rehabilitation and Safety Project (RRSP) is part of the first phase of the Government's National Road Network Rehabilitation Program and is expected to cover, over a period of 4-5 years, the rehabilitation of about 1,110 km of national roads spread over the entire country.

2. This document represents the Resettlement Policy Framework (RPF) for the proposed RRSP. It describes the policies, procedures and processes that will be followed throughout the project in the course of mitigation of adverse social impacts due to project activities among the project affected persons, with and without legal title, whose land/properties, businesses and other assets are expropriated for the execution of the rehabilitation works included in the RRSP. Since the RRSP is to be implemented with the support of the World Bank, EBRD and EIB (IFIs), the Public Enterprise "Roads of Serbia" (PERS) through a dedicated Project Implementation Team (PIT) prepared this RPF to ensure full compliance with the requirements of safeguard policies of the IFIs: the World Bank Policy on Involuntary Resettlement (OP/BP 4.12) and EBRD Environmental and Social Policy Performance Requirement 5: Expropriation, Involuntary Resettlement and Economic Displacement (EBRD PR 5). This RPF also contains all the national and local policy provisions that are applicable for mitigation of adverse social impacts.

1.1 The Project

3. RRSP main objective is "is to improve the condition and safety of the National Road Network for road users by supporting the Republic of Serbia in the implementation of the first phase of its National Road Network Rehabilitation Program. ". RRSP has three components: (i) Road Rehabilitation and Safety Investments; (ii) Institutional Strengthening; and (iii) Project Detailed Design, Supervision, Management and Monitoring. Under the first component, the activities envisaged include periodic maintenance and rehabilitation works (pavement upgrading, partial pavement widening, traffic signalization improvement, structural renewals and ancillary road connections such as cross roads, improvement of existing access roads and drainage systems) and works supervision, quality control and monitoring of environmental protection. This RPF will be used for activities under component (i).

4. The first year of the RRSP identifies 15 priority road sections with length between 8km and 40km (Attachment 1). Sections are dominantly of rural character, with some sections passing through smaller populated areas.

1.2 Purpose of Resettlement Policy Framework

5. This document was prepared to address the case of necessity for minor expropriation and related impacts that may occur during the implementation of the project. The expropriation will be mostly required for geometrical improvements on safety considerations and value-added elements such as sidewalks drain improvements etc.

6. The main purpose of this document is to provide guidance in screening the road sections to identify the potential adverse social impacts associated with expropriation and

road reserve areas and propose appropriate mitigation measures. It is developed in consistency with the relevant Serbian law and the IFIs policies and is applicable for all subprojects implemented under the RRSP.

7. The specific objectives of this RPF are to:

- Clarify the principles, processes and organizational arrangements to identify and mitigate potential adverse impacts associated with expropriation and related impacts associated with the sub-projects to be implemented under the Project;
- Establish clear directives and methodologies for social screening of activities that will be supported under the RRSP and define the steps for preparation and implementation as program generic, where necessary, project specific mitigation plans;
- Ensure compliance with applicable Serbian law on expropriation and policy objectives and provisions of Involuntary Resettlement Policy of the World Bank, EBRD and EIB.
- Define appropriate institutional arrangements for the implementation and monitoring of the RPF, Abbreviated Resettlement Action Plans (ARAP), as well as consultations and disclosures.

8. RRSP represents a multi-annual project that includes realization of sub-projects for rehabilitation of national road sections, starting from the phase of main design preparation to the phase of completion of rehabilitation works and transfer of the sections to the PERS maintenance department for further maintenance. It is clear that many of the parameters that are of importance for the successful realization of RRSP remain unknown at the moment.

9. Although RRSP will rehabilitate the sections of the national road network within the existing right of way, it is possible that during the preparation of the main design, i.e. during the road safety audit (RSA) in design phase, it becomes necessary to use the land in property of other people. Since this is a multi-annual project that covers a significant number of kilometers of roads, which pass through different terrain conditions with settlement occupancy of various intensities and with different purpose of land use, the required works may not be exclusively performed within the existing right of way. This document aims at defining general procedures in case of necessity of using the land beyond the right of way.

10. At this moment, a detailed overview of impact of the works on users and local community cannot be provided, as there are no main designs for the proposed sections, so this document serves to define procedures, rulebooks and legal regulations for different, possible scenarios within the expropriation/resettlement. If, during a later phase, it becomes necessary to have the expropriation/resettlement for the particular section based on the design documents, a particular RAP/ARAP¹ shall be prepared for the particular case based on this RPF and the IFIs policies. Since only ARAPs are expected to be needed, the remainder of the RPF will refer to these.

¹ ARAP will be prepared in case of minor impacts on the entire population or when fewer than 200 people are affected and will cover the following minimum elements: (a) a census survey of affected persons and valuation of assets; (b) description of compensation and other resettlement assistance to be provided; (c) consultations with affected people about acceptable alternatives; (d) institutional responsibility for implementation and procedures for grievance redress; (e) arrangements for monitoring and implementation; and (f) a timetable and budget. The RAP will be prepared in case of physical displacement or loss of livelihoods affecting more than 200 people.

1.3 Project Phases and Description of Procedures

11. First phase of the project represents preparation for contracting and execution of works and includes:

1. Road Diagnostic Assessment (diagnostic assessment of road condition before the intervention);
2. Preparation of ToR and Bidding Documents for the Design;
3. Preparation of the Main Design for Road Rehabilitation;
4. Road Safety Audit in the designing phase;
5. Technical Control of the Main Design.

The second phase includes procurement of works and works contract implementation together with post construction activities.

12. Road Diagnostic Assessment identifies potential problems that may occur in the later stages of the project implementation and provides basis for the preparation of high-quality ToR for the main design. Initial social screening is performed as integral part of the diagnostic assessment in accordance with the checklist shown under the **Attachment 2**. Initial social screening includes identification of all existing details on the road section that might have an impact on the road users and local population as well as ways to improve the life quality of local residents. The screening information will be updated at the time of preparation of main designs.

13. Based on the diagnostic report ToR for preparation of the main design is prepared with the design of road rehabilitation within the existing right of way as one of the recommendations. However, the designer will be required to propose the best technical and economical solution (construction and maintenance cost as well implementation time being considered) that will provide the required outcomes.

14. Road Safety Audit in design phase represents an audit of designed solutions from the traffic safety point of view. The possible need for expropriation is identified during the main design preparation and/or upon road safety audit completion.

15. As all main designs are subject to approval of the relevant Ministry during the procedure for issuing of the construction permit, in accordance with the Law on Planning and Construction (Article 129), all main designs are subject to technical control. During the technical control the completeness and validity of the design and its compliance with requirements of the ToR, legal and technical regulations are checked.

Chapter II

2. PROCESS OF EXPROPRIATION AND MANAGEMENT OF SOCIAL IMPACTS

2.1 The Republic of Serbia Expropriation Law

General Background

16. The Republic of Serbia Expropriation Law (passed in 1995 and enacted on January 1, 1996, amended in March 2001, amended again on March 19, 2009) guides expropriation and serves as a general framework for expropriation in the Republic of Serbia. The Republic of Serbia Expropriation Law does not use the term “involuntary resettlement”, which is used in the relevant IFI policy documents, but instead uses the term expropriation. This law enables government institutions to acquire private property for projects that are deemed to be of national and/or local interest, while protecting the interests of all project-affected persons with legal title, whose assets are to be expropriated. The law also enshrines the principle of fair compensation.

17. 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”². The value is assessed on the basis of current market price;
- As a condition to start expropriation, the Beneficiary of Expropriation must arrange a Bank Guarantee with a Commercial Bank, in the assessed total sum for payment;
- 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 either by the Beneficiary of Expropriation, or the Ministry of Agriculture;
- 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;
- 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;

² Beneficiary of Expropriation under the Republic of Serbia Law is defined as the person, or legal entity, on whose behalf the expropriation is being undertaken

- For the project affected person, without formal title, there is no provision to pay compensation currently under the Law on Expropriation;
- In addition, after the passage of the Law on Planning and Construction (passed in 2009 and amended in 2011), it is a criminal offense to construct any structure without a building permit on either public or private land; and
- 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.

Selected Provisions

18. Under article one of the Expropriation Law, immovable property³ may be expropriated or ownership rights over such property restricted, only with equitable compensation which may not be lower than the current market price of such immovable property (hereinafter referred to as: the compensation), if it is so required because of a public interest⁴ defined under the law. The fair value of the immovable property affected by a particular scheme, or project, is determined by the Tax Administration, on behalf of the Beneficiary of Expropriation. The value is assessed based on comparable sales transactions in the area in the recent past. The assessment of fair value takes into account the value of land, the cost of structures and installations, crops, woods, trees, fruit bearing trees, age of crops, vineyards, and the time needed to reproduce them. The impact of the scheme on the value of land will not be considered in the fair value of the immovable property. 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. Immovable property, as defined, may be expropriated when necessary for the construction of facilities or undertaking of works of “public interest/use.” The key assumption is that the scheme cannot progress without expropriating the immovable property. When the scheme is declared to be “of public interest”, a concrete expropriation proposal by the Beneficiary of Expropriation is prepared and then submitted to the relevant municipality encompassing the project affected persons. A concrete expropriation proposal is prepared for each project-affected person that contains the amount of land involved, the assessment of fair value for any immovable property, the justification of the need for the specific expropriation, together with the confirmation that the scheme is included in the relevant regional and/or spatial plan. The concrete expropriation proposal also involves the Beneficiary of Expropriation arranging a Bank Guarantee with a Commercial Bank for the assessed fair value. This assessment is prepared by referring to the Cadaster Register,

³ Immovable property, for the purposes of this Law, shall be deemed to be the parcels of land, buildings and other facilities.

⁴ The Government of the Republic of Serbia may define a public interest for expropriation if the expropriation of immovable property is necessary for the construction of a facility in the area of: education, health care, social welfare, culture, water management, sports, transportation, energy or utility infrastructure, facilities for the requirements of government authorities and the authorities of territorial autonomy and local self-government, facilities for the requirements of national defence, ensuring the environmental protection and protection against natural disasters, for exploitation of mineral resources, and for the construction of apartments to be used for meeting the requirements of socially vulnerable persons.

which provides details on the titleholder, the immovable property, the type of land, and the area of the affected land. The concrete expropriation proposal also obliges the Beneficiary of Expropriation to submit a request to the Cadaster Office, Land Registry, or other public register, to prevent any transaction (Article 32) on the land to be expropriated. Expropriation must be completed and all project-affected persons are compensated in comparable land or in monetary terms, before the Building Permit (or Construction License) is issued to the contractor to mobilize and start the civil works. In the event that a project-affected person(s) disagrees with the offered compensation in either form, they can resort to the judicial process, and the Beneficiary of Expropriation can request the Ministry of Finance, on an exceptional basis, for the permission to access the said plot (s) (Article 35). For any specific scheme to obtain public interest status, the Beneficiary of Expropriation is obliged to submit to the Government (through the Ministry of Finance) the feasibility study, the justification of the need for the specific expropriation, the estimated costs, the estimated land affected, and to the extent that details are available, the number of affected plots of land. The request for the designation must also document that the scheme is included in the relevant local, regional, or spatial plan. The public interest status can be granted at either national, or local, level depending on the specific Beneficiary of Expropriation, and the nature and size of the 'scheme'. The Beneficiary of Expropriation is not required to prepare a social assessment (socio-economic study) or a baseline census with regard to project affected persons.

Other principles of the Law of Expropriation

19. Acquisition and compensation principles apply to all types of rights such as ownership rights, third party rights such as lease rights, business rights, easement rights, rights of those who have been cultivating the land etc. (Law on Expropriation, Article 1).

The expropriation may also include the instigation of an easement over the immovable property or a lease of the parcel of land for a specific period of time, which will be occupied temporarily and not for a period exceeding three years. The land must be restored to original condition before given back to the project-affected person, with legal title (Law on Expropriation, Article 5/6).

The Beneficiary of Expropriation shall grant to the project affected person, with any form of legal title (ownership, lease), of an affected residential building (public or private), or business premises, at his request, the equivalent right over another equivalent residential building (public or private), or equivalent business premises, in the same area or vicinity (Law on Expropriation, Article 16/19).

Under Article 51 of the Law on Expropriation, the Beneficiary of Expropriation can be requested by a Court Decision to offer a compensation amount in monetary terms that exceeds the assessed fair market value, as defined earlier, if other personal or family circumstances of the project affected person deem it necessary to ensure that his/her livelihood is protected (e.g., number of family members, number of family members capable to earn a living, or number of family members who are employed, health status of family members, monthly income of the household, etc).

Under Article 71 of Law on Expropriation, in the event of the administrative transfer of land or other natural resources which are owned publically, the publically owned legal entity (ies) that has rights over the land or other natural resources shall be entitled to the compensation for the labor and the funds invested in such land, or other natural resources, and the fair value of the land if the legal entity (ies) has proof of purchase.

The assessment of the investment, or the fair value, is made by the relevant accredited expert, as discussed above.

2.2 Other Applicable Laws and Provisions

20. Besides the Law on Expropriation, the following comprise list of legal documents, policy and regulatory dealing with expropriation and resettlement and other social impacts associated with road works, representing basis for this Resettlement Policy Framework:

1. Law on Public Roads (adopted in 2005, amended in 2007 and 2011)
2. Law on Fundamentals of Property Relations (adopted in 1980, amended 1990, 1996 and 2005)
4. Law of Planning and Construction (adopted and corrected in 2009, and amended in 2011)
5. Law of Agricultural Land (adopted in 2006, amended in 2009)
6. Law on State Cadaster (adopted in 2009, amended in 2010)
7. Law on Spatial Planning of the Republic of Serbia from 2010 to 2020 (adopted in 2010)
8. Regulations established based on above-mentioned laws
9. The World Bank Policy on Involuntary Resettlement (OP/BP 4.12)
10. EBRD Environmental and Social Policy
11. EIB Statement of Environmental and Social Principles and Standards.

21. The key provisions in the documents listed in paragraph 17 related to expropriation and resettlement of people are summarized and presented in **Attachment 4**.

2.3 Expropriation Process

22. The proposed road rehabilitation works are intended to be within the existing right of way. However, as traffic safety requirements and other regulations in force must be satisfied and the possibility of including additional features such as sidewalks and drainages, it is assumed that there is a possibility of necessity for expropriation, mainly of small surfaces near the right of way limits that would serve for road widening, remedy of unsafe curves, i.e. supporting structures in the road function.

23. As the sections under the RRSP are selected and ranked based on the results of the economic analyses and available budget, for the sections for which it is determined that expropriation is required or strongly recommended in order to achieve the desired performance of the road, a detailed analysis of financial and planning implications will be performed. Based on the costs analysis and taking into regard all other aspects such as safety impact, time available within the stated deadlines, estimated duration and simplicity of the procedure, etc. the PERS management will bring a decision on further acting. Possible options would be to i) continue the procedure and have the property expropriated, rescheduling the implementation program in order to accommodate the expropriation procedure (this may require to postpone the works on the section for the next period) or, ii) if economically no longer justified or required type of intervention falling outside the definition of the current project, to exclude the section from the RRSP in which case the section will be subject to future works financed from other financial sources. This RPF shall be used for all road sections under the RRSP. If expropriation is necessary and if so decided by the PERS management, the property owner will be approached directly

with an offer for purchase of the property. In case that the property owner does not accept the offer, the procedure of expropriation shall be initiated in accordance with this RPF.

2.4 Principles Guiding Involuntary Resettlement

24. All compensation of project affected persons will be governed by the following general principles:

- The provisions of relevant Republic of Serbia laws, the World Bank's Operational Policy on Involuntary Resettlement (OP 4.12) and EBRD PR 5 will be followed. Where there is a conflict between the Republic of Serbia laws and IFIs policies, the provisions of this RPF and the relevant IFIs safeguard policy will apply (see section 2.5 below);
- In general, expropriation will be undertaken in such a way that no project affected person, with or without formal title, will be worse off after expropriation;
- All activities and procedures will have to be formally documented;
- The property and inheritance rights of project affected persons will be respected;
- If the livelihood of the project affected persons without formal title depends on the public land that they are using, they will be assisted in their effort to improve their livelihoods and standard of living to improve or restore them to pre-displacement levels;
- If project affected person, without legal title, is not satisfied with the above decisions, they can approach the independent grievance commission, which will mediate in the manner described earlier and, if necessary, hire an accredited expert, at the expense of the Beneficiary of Expropriation to review and determine the assessed fair value for immovable property;
- If the remaining parcel of land after expropriation of part of it is not economically viable, it will be expropriated, if the project affected person desires so (In accordance with Article 10 of the Law on Expropriation, land is not economically viable if the affected person does not have economic interest to use the remaining parcel of land, i.e. if because of the expropriation his existence on the remaining parcel of land is impossible or significantly difficult);
- In cases where there are persons working on the affected land or businesses, as determined by the social assessment (socio-economic study carried out during the ARAP process), where the project affected person does not have formal title to the land (e.g. wage earners, workers, squatters, encroachers, etc.), the resettlement and rehabilitation assistance should be provided to these project affected persons to ensure replacement of lost shelter or retain the livelihood opportunities as per the provisions in the Entitlement matrix. In cases where land is needed on a temporary basis, project affected persons who have formal title will be compensated to the assessed fair rental price for the period during which the land is used and the land will be returned in the same condition as before it was rented. In the case of agricultural land, the assessed fair rental price will be determined by an accredited expert paid by the Beneficiary of Expropriation in a manner consistent with the Republic of Serbia Law on Expropriation (Article 55);
- Physical displacement is unlikely, however, if resettlement is unavoidable in addition to the payment of fair market value for all land and immovable property, project affected persons will be provided assistance in relocation and other related expenses (i.e. cost of moving, transportation, administrative costs etc.);

- These rights do not extend to individuals who commence activities, either in the form of cultivation or the construction of any immovable objects, after the initial social screening within road diagnostic, reflecting the introduced restriction on property transactions under current practice under the Republic of Serbia Law on Expropriation. Project affected persons will be explicitly informed about this cut-off date and its implications during the consultations at the time of preparation of ARAP (see paragraph 27 (vi));
- The compensation and eligible resettlement and rehabilitation assistance will be paid prior to taking over of land and other assets for construction purposes;
- All affected vulnerable people such as widows, old and sick, families with many dependents, physically challenged persons, etc. will be provided with additional support depending upon their type of vulnerability.
- In the case of severely impacted⁵ or vulnerable people, on the basis of, among others, below poverty line, the landless, the elderly, disabled, women who in need of support, households with many dependents or unemployed heads and those not protected under Serbian laws, it will be determined on the basis of the socio-economic study conducted as part of the ARAP, the type and level of additional assistance, if any, to restore livelihood levels to their pre-project levels. Additional assistance could include skills upgrading if necessary to restore livelihood to the pre-project levels (see also paragraph 29).

25. All project-affected persons (private and public, individual and businesses) entitled to be compensated for land acquired; losses, structures or damages will be offered compensation in accordance with the provisions of this RPF. Those who accept the compensation amount will be paid prior to taking of their land or assets. Those who do not accept will also be paid, if they desire, and could have their grievance registered or referred to the courts as appropriate prior to taking their land and commencing works (see para 26).

26. In the case of any disagreement over ownership and/or compensation amounts, the Beneficiary of Expropriation shall transfer the sum corresponding to the assessed fair value, as determined in each applicable case above, to the account of the project-affected person, while the case is pending, before starting any construction activities on the affected land plots.

2.5 IFIs policies and deviations from the Republic of Serbia Law on Expropriation and proposed measures for bridging the gaps

27. In general, the institutional framework for expropriation in Serbia is broadly compatible with the IFIs policies (World Bank's OP on Involuntary Resettlement, the following key steps will be taken by the Beneficiary of Expropriation (PERS):

- (i) Establishment of Grievance Redress Committee.** The objective of the independent grievance commission is to provide guidance/advice, and to deal with any complaint/grievance associated with any expropriation or resettlement under the scheme. The scope of responsibility of the independent grievance commission involves the responsibility to mediate in any dispute on the comparability of offered

⁵ Severely affected people will be identified among those losing significant amount of productive land or those losing their livelihood opportunities or those losing shelter during socio-economic survey and the appropriate mitigation measures will be proposed in ARAPs.

agricultural land, or the assessed fair value for immovable property, discrepancies in measurements, nonpayment of compensation and assistance, eligibility for benefits under RPF, the responsibility to accept grievances of people who believe they are being severely impacted even if they do not fall within the criteria that have been set, and related matters. Common practice within the PERS is that grievances are received by the PERS Public Relations department or the cabinet of General Manager. Both bodies within the Enterprise forward the grievances to other PERS departments (or PIT) that are directly in authority for the issue. After that the issue in question would be forwarded to the Grievance Committee;

- The Beneficiary of Expropriation shall establish an independent grievance committee comprising of: PERS representative, municipality representative (delegated by the municipality), project affected persons representative(s) and a respected person in the municipality encompassing project affected persons as community representative, if delegated by the project affected persons. The composition of grievance committee will be constituted at the time of the ARAP finalization. The independent grievance commission has the possibility to hire, with costs covered by the Beneficiary of Expropriation, an accredited expert to review and assess the comparability of offered agricultural land, or the assessed fair value for immovable property. If the independent grievance commission determines that the offered agricultural land is not of comparable value, they can request the Beneficiary of Expropriation to pay the assessed fair value, as determined by the Taxation Administration. If after mediation, the project affected person, offered comparable agricultural land or assessed fair value for immovable property, disputes either the comparability or the assessment of fair value, they are free to enter the judicial process in a manner consistent with the current Law on Expropriation;

(ii) **Social assessment (socio-economic study).** In order to bridge the gap with the requirement of IFIs, the Beneficiary of Expropriation during the preparation of each individual section specific ARAP (expropriation proposal under the Republic of Serbia Law on Expropriation), will undertake a social impact assessment, at a project-affected person level, among the affected families to record their losses and baseline socio-economic characteristics. This data will be used as baseline to measure the impacts and estimate compensation and assistance needed to address the changes in the living standards during the post impact period. These surveys generally will be undertaken around the same time as the announcement of road rehabilitation works for public purpose. The finding of the social impact assessment will be documented in ARAP

(iii) **Compensation at replacement cost.** The compensation for loss of land is paid at average comparable sales statistics to arrive at the replacement as defined in the IFIs policies, the likely shortfall in terms of purchase of similar land on the open market will be assessed at the time of preparation of ARAP through accredited expert and the short fall will be paid as a top-up supplement to the compensation. In determining the replacement cost of the affected land or asset, the cost of market value plus taxes and fees, if any, will be taken into account. In case of valuing the cost of affected structures, the depreciation cost of structures will not be taken into account and the estimation of costs will be assessed on how much it will cost for

building a new one of the same quality. The valuation of affected structures will also take into account value of time invested in construction and applicable taxes, if any.

(iv) **Payment of taxes and fees.** In order to meet the gap in payment of taxes and fees, under this RPF, any compensation of productive land and/or property, including businesses, will include the registration cost in the Cadaster Office, or other relevant register, any administrative fees, and/or transfer taxes.

(v) **Assistance to affected non-titled/untitled holders.** The Republic of Serbia Law on Expropriation is not clear about the status and rights for those project-affected persons who currently use public or private land but do not hold formal title. However, under IFIs policies, their status is clear and non-title holders do have the right to be assisted to restore lost livelihood. This category appears to cover (a) those who do not have formal legal rights to the land at the time of the survey but are in the process of attaining title and/or have a valid claim to it (non-titled holders) as well as those who have no recognizable legal right or claim to the land (untitled holders).

The non-titled holders, as described above, such as for example, persons that by the time the census begins do not yet hold title to the land they are occupying because of, inter alia, delays in the registration of their land rights due attributable to the land registry or, persons that have just inherited the expropriated land/asset and had not yet had the opportunity to register their rights to said land/assets, will be treated exactly as those who have formally legal rights to land.

As for the untitled holders, under this RPF these project affected persons who constructed buildings without permits, who have been using public or private land are entitled to compensation/assistance for any investment made on public and private land in the cost of structures and installations (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, crops, woods, trees, fruit bearing trees, vineyards, the age of crops and the time needed to reproduce them. These rights do not extend to individuals who commence activities, either in the form of cultivation or the construction of any immovable property, after the initial social screening within road diagnostic. If new encumbrances are noticed those will be asked to be vacated immediately. This will be checked on quarterly bases.

(vi) **Cut-off date.** In order to establish a cut-off date for determine the eligibility of affected people for resettlement and rehabilitation assistance, a census survey will be undertaken as soon as the sub-project is identified to enumerate all the impacts supported by videography and photography within the likely impact area along the proposed road.

2.6 Project Affected Persons

28. Project affected persons⁶ are defined to include the following categories:

- Project affected persons, with formal title, who lose all or part of their land;
- Project affected persons, with formal title, who have immovable property with or without building permissions on the land to be expropriated;
- Project affected persons with formal title over businesses that are affected by the loss of all or part of the land on which the businesses are located;
- Project affected persons with formal title over animal husbandries and agricultural processors that are affected by the loss of all or part of the land on which they are based;
- 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 or businesses 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 provide for their relation to the community loosing access to such common facilities.

⁶ Project affected persons are of male and female gender.

2.7 Entitlement Matrix

29. Based on the envisaged type of impacts, the compensation and other assistance for different type of impact categories are summarized in the Entitlement Matrix.

Impact Categories	Entitlement
Loss of entire land holding	<ul style="list-style-type: none"> (i) offer of replacement agricultural land of equivalent productive value in the area and vicinity of the land being expropriated, together with all transfer/administrative taxes; (ii) monetary compensation based on the assessed fair value including taxes and fees and top-up supplement to the compensation (see paragraphs 27 (iii) and (iv)); (iii) subsistence allowance for 6 months equivalent to minimum wages for agricultural workers in Serbia; (iv) appropriate level of skill upgrading training, if necessary to restore livelihood of severely impacted persons and determined on a case-by-case basis based on the socio-economic study during ARAP preparation; (v) assistance for alternative livelihood support as appropriate.
Partial loss of land	<ul style="list-style-type: none"> (i) offer of replacement agricultural land of equivalent productive value in the area and vicinity of the land being expropriated, together with all transfer/administrative taxes; (ii) monetary compensation based on the assessed fair value including taxes and fees and top-up supplement to the compensation (see paragraphs 27 (iii) and (iv)); (iii) when expropriation is minor, the option of acquiring land through "Direct Purchase" will also be explored, which means that the Beneficiary of Expropriation will negotiate with the landowner to sell voluntarily rather than to go through the process of expropriation. (iv) Additional transactional support for those severely affected in the form of subsistence allowance and an appropriate level of skill upgrading training if needed to restore livelihood⁷.
Unviable redundant parcels of land/structures ⁸	If a remaining parcel of land after expropriation is not economically viable it will be acquired and compensated, if the project affected person desires so.
Structures and installations in the land (barns, shacks, fences, etc.) with or without building permits	The replacement cost assessed for construction of similar quality of structures, and the value of time invested in construction and applicable taxes, if any.
Crops	The value of the crop, including the value of time needed to reproduce such a crop, and the replacement cost for any investment made (input, labor etc.).

⁷ Severely affected people among those losing significant partial land will be determined based on the type and extent of productive land lost and the nature of support will be determined during the preparation of ARAP.

⁸ Viability of the land depends upon the land owner. PERS legal department shall decide whether the request of project affected person for acquisition of remaining parcel is justified or not based on the size and shape of the remaining parcel. If an agreement is not reached, there is a possibility of engagement of an independent valuer to decide upon viability.

Impact Categories	Entitlement
Fruit bearing plants, vineyards, and orchards	The value of the harvest, including the value of time needed to reproduce such a harvest, the replacement cost for any investment made, (input, labor etc.) to raise new plants, vineyard or orchard until they reach full yielding potential. The compensation for fruit bearing plants, vineyards, and orchards is determined by article 42 of the Expropriation Law. The amount is added to the market price of outstanding investments made for raising and maintaining such a vineyard or orchard and the amount of net income, which the vineyard or orchard has given (considering its age and fertility), for as many years as it takes to raise it and for the orchard or vineyard to come into full bearing.
Young vineyards or orchards not yet fruit-bearing	The replacement cost for any investment made for raising a replacement vineyard or orchards, including the value of time needed to reproduce, and compensation for lost yields for each year from the year of expropriation. The compensation for young vineyards or orchards not-yet fruit bearing is determined by article 42 of the Expropriation Law. It is added in the amount of the investments necessary for raising such a young vineyard/ orchard and an amount of the yield that would be achieved for as many years as the vineyard/ orchard existed till the moment of the expropriation.
Nursery	The replacement cost for any investment made on planting material (nursery plants and other reproduction material) not utilized.
Land needed on temporary basis	The market rental price for the duration of the lease. The land should be returned to the project-affected person, in the same condition as it was taken.
House	<ul style="list-style-type: none"> (i) full compensation based on the replacement cost for construction of similar type of house in a similar/comparable area including transfer/administrative taxes; (ii) moving allowance; (iii) transitional Allowance for 6 months equivalent to minimum wages in Serbia; (iv) assistance for alternative temporary housing as needed.
Lessees of Public or State owned properties	Provision of the use of other corresponding Public or State owned equivalent property with the rights of a lessee for an equivalent period of time
Legal renters, employees, or workers on the land or in a business	<ul style="list-style-type: none"> (i) advance notice of 3 months for tenants; (ii) 3 months rental allowance for legal tenants as transitional allowance; (iii) In case of workers, 3 months wages will be offered as transitional allowances.
Untitled users of public and private land	<ul style="list-style-type: none"> (i) compensated for the replacement cost of any investment made on the land; (ii) subsistence allowance for 3 months in case of major impacts such as loss of house or livelihood and as determined through the social survey (see paragraph 24); (iii) appropriate level of support for skill upgrading training as part of livelihood restoration of severely impacted persons; (iv) the option of adequate housing with security of tenure as needed.

Impact Categories	Entitlement
Persons with non-agricultural business	<ul style="list-style-type: none"> (i) full relocation cost of businesses affected, including the inventory, and the replacement cost for any investment; (ii) subsistence allowance for 6 months equivalent minimum wages in Serbia; (iii) moving allowance; (iv) appropriate level of support for skill upgrading training to be determined during the social survey, if necessary to restore livelihood.
Vulnerable groups (See Para 24 last bullet for list of vulnerable households)	<ul style="list-style-type: none"> (i) additional financial assistance equivalent to 6 months minimum wages⁹ support for skill upgrade as needed; (ii) Any additional support required for any affected vulnerable households in addition to the above assistance will be determined on case-to-case basis during socio-economic survey (iii) employment with contractors if available.
Unidentified Impacts	These will be mitigated in accordance with the principles and objectives of RPF.

30. Once the projects affected persons are identified, the PERS will prepare and publish a brochure providing information on the procedure and entitlements so that the project affected persons are fully acquainted with the procedure and possible ways of compensation for the expropriated property.

⁹ Any additional support required for any affected vulnerable households in addition to the above assistance will be determined on case-to-case basis during socio-economic survey.

Chapter III

3. INSTITUTIONAL FRAMEWORK FOR EXPROPRIATION AND SOCIAL IMPACTS

3.1 Organizational arrangements and staffing

31. The organizations and parties involved in the process of expropriation and resettlement are the Ministries of Finance, Agriculture, Taxation Administration, PERS, the Beneficiary of Expropriation and the implementing entity, municipalities, expert assessors, project affected persons, the independent grievance commission and the court. All issues of expropriation will be managed by the PERS relevant legal department who possesses all relevant experience and specialization on practical realization of expropriation, while social specialist within the PIT will be the person responsible for coordination of realization of all activities related to social safeguard issues.

3.2 Initial social screening within road diagnostic

32. The social screening and social impact assessment will be undertaken in the early phase of planning process, as part of Road Diagnostic done by PIT, so that all potential impacts are identified and level of participation of local population and road users is increased to maximum. Besides obvious positive impacts expected by a rehabilitated road for road users such as shorter travel time, improved road safety, reduced costs for users, lower noise levels and better quality of infrastructure in addition to possible employment options provided for the local population in companies executing the works, the purpose of the initial social screening should be to identify other impacts on local population that may result from the works. The initial social screening will be performed by the checklist which form is given under **Attachment 2**.

33. Keeping in mind the nature of the new project, as well as the fact that ToRs, as key entry data for designers, are provided by the PIT based on the completed diagnostics for every single road section, within this phase the following will be stated:

- type of the section (topography, location, urban, rural, mixed etc.); for each road section, data such as whether it goes through a settlement or has a non-urban character will be noted. In case that the section goes through a settlement, it will be noted whether the buildings by the road (close to the road edge) are present, and if discovered these will be classified per type, e.g. residential, non-residential (commercial structures), arable land, etc.
- all accesses to houses/commercial structures/land lots will be noted and preserved/rehabilitated in as much as possible or alternative appropriate access will be ensured, regardless of legal or illegal nature of the structure or accesses;
- presence of the buildings such as schools, kindergartens or other public buildings along the road will be recorded as well as necessity for having pedestrian crossings, overpasses, traffic calming measures designed and introduced;
- necessity for rehabilitation of the existing pedestrian walkways will be closely studied and need for construction of new ones thoroughly analyzed;
- special attention will be paid to existence of bus stops and car park surfaces so that appropriate capacities with maximum increase of traffic safety are provided;
- the community needs will be identified by interviewing local residents as well as employees of the sector for maintenance that are present on the site to define the

needs of local population in regard to the road. The problems discovered during these interviews will be highlighted to the designer within preparation of the Terms of Reference.

3.3 Updating of social screening findings during the design preparation

34. Once the contract for road design is awarded, the assessment of social impacts as recorded in the initial social screening will be reviewed and updated in the context of exact road width proposed for rehabilitation works. The designer will be required to closely collaborate with PERS and the appointed PIT's representative to ensure the best quality product. The PIT's representative will be responsible to check whether the designer complied with all requirements put in front of him and whether the designer's response to those requirements is of satisfactory level. During regular meetings, proposed solutions and possibilities for further improvement for greater benefit to the local population will be also discussed. Also, as one of the tasks, the designer will be obliged to hold consultations with the local community with the aim of getting their feedback on any special requirements to be factored in to the design to meet their local needs. Special attention will be paid to involvement of women into these consultations. These gender sensitive consultations should be organized in coordination with the municipality (ies) on whose territory the road section is. The municipality (ies) will invite all stakeholders to the public consultations to give their comments. The need for sidewalks, access improvements of access to properties or public facilities, drainage improvements, etc. along the built up areas on the specific roads will be identified during the consultations and considered to be incorporated in the main designs based on merit and appropriateness. These public consultations/presentations will be organized in the final stage of the main design preparation, when the draft rehabilitation solution is completed. After taking into consideration all received comments the designer will have to elaborate in written form for each comment whether is it adopted or not and why. After completion of main design and road safety audit, all main designs will be reviewed by the IFIs. Once the magnitude of impacts assessed based on the designs, baseline socio-economic survey will be carried out among the affected households to record the baseline socio-economic characteristics which will become the reference for measuring the changes in the living standards during the post implementation period. The findings of the survey will also become the basis for preparation of ARAPs.

3.4 Mitigation of negative social impacts during the construction phase

35. Measures for mitigation of negative social impacts during the construction phase shall be included in the contract. The contractor will be clearly informed on its duties in regards to the social aspect of the project, i.e. on mandatory:

- reporting on impacts on local population during the Works execution;
- reporting in number of engaged local workmanship for the purpose of the works execution (man-month and number of actually employed persons disaggregated by gender);
- reporting on contracts concluded by the contractor in local community (e.g. for accommodation of workers, lease of lots for storage of materials, etc.)

The Contractor will be also contractually obliged to ensure undisturbed movement of local population to their private properties, i.e. in case that this is not possible, the Contractor will be obliged to provide an alternative access. Upon award of contracts for the works,

owners of commercial buildings along the section will be informed on works to be started and the works' expected duration so that they could adjust their activities and business performance during this period.

3.5 Monitoring of social requirements implementation during the construction phase

36. Contracted supervision services for the works will have the following contractual duties and obligations for monitoring of social requirements implementation during the construction phase:

- Supervision of the contractors in performance of their obligations and ARAP implementation;
- Preparation and submission to the Employer of regular reports on implementation of measures for social monitoring;
- Provision of service to the local community through receipt of feedback and proposals. The board on the site will include clearly visible information on contact persons on behalf of the supervision, as well as working hours for contacts with the public. All complaints, praises, proposals received by the supervision contractor, would be forwarded together with the Supervisor's opinion to the Employer for further acting. The idea is that every reaction of the local population is provided with a timely response, while a unified records of the correspondence with the local population will be presented in regular reports to the financing institution; It is very important that local population shall be fully aware of complaint possibility and that mechanism for submission of complaints is very simple.
- Suspension of works causing a high level of noise in periods when such noise is not allowed;
- Suspension of the works if inadequate protection of local population and environment against dust and pollution is provided.

37. It is planned that within the final phases of the works execution, the supervisor completes questionnaires with the local population on behalf of the Employer in order to assess the level of content of local population. The questionnaires would be sent to the mailboxes of locals, while ones completing these questionnaires could deliver them in person to the supervisor's representative or send them by regular post to the Employer's address.

38. Experience gained during the realization of the Transport Rehabilitation Project (TRP) significantly contributed to preparation of bases for social monitoring and assessment subsequent mitigation of impacts produced by the project on local community. Related to positive practice from the TRP, PIT representative will perform regular controls of measures taken by the contractor and supervision, and control will be performed by the checklist shown in **Attachment 3**.

3.6 Preparation of individual section specific Abbreviated Resettlement Action Plans (ARAPs)

39. Once the social screening is updated by the designer, the need for preparation of RAP or ARAP will be determined and study on expropriation done. In case the impacts are, minor (loss of less than 10% of productive assets) and involves less than 200 people,

an ARAP will be prepared. For greater impacts affecting more than 200 people or where physical displacement is involved, a RAP will be prepared by the Beneficiary of Expropriation. As clarified above, since only ARAPs are expected to be needed, the RPF is referring to ARAPs. Such ARAP will be reviewed and cleared by IFIs and approved by PERS prior to the issuance of bids for the respective roads. The ARAP will be implemented by PERS legal department and the payment of compensation and assistance will be certified prior the issuance of notice to precede work. As the PERS is legally in charge of the expropriation, the ARAPs will be prepared by the PERS legal department which is the authorized department dealing with the legal issues of expropriation. During the preparation of ARAP, the PERS legal department will liaise closely with the PIT. Consultants will be arranged to carry out a socio-economic survey and consult with the affected people and the grievance redress committees will be constituted. The compensation and assistance for different types of impact categories will be guided by the entitlements described in this RPF. Each ARAP will be approved by the PERS Deputy General Manager and Manager of Sector for Legal, Staff and Common Affairs after receiving endorsement to the draft ARAPs from the IFIs , The PERS legal department will undertake all actions and responsibilities regarding the expropriation/resettlement procedures as outlined in the ARAPs..

40. When the scheme is declared to be "of public interest", a concrete expropriation proposal by the Beneficiary of Expropriation¹⁰ is prepared and then submitted to the relevant municipality encompassing the project affected persons. A concrete expropriation proposal is prepared for each project-affected person that contains the amount of land involved, the justification of the need for the specific expropriation, together with the confirmation that the scheme is included in the relevant regional and/or spatial plan. The Beneficiary of Expropriation (PERS), through the municipalities involved, will collect information on the socio-economic condition of each project affected person at the time of the preparation of the section specific ARAP. This will include information on employment status, income, sources of income, land holding, type and size of land, crops, other resources, number of children and dependents, for all project-affected persons. This information will form the basis of the required social assessment (a socio-economic study) to the satisfaction of the Bank. These will form the basis of the ARAPs. The performed screening (diagnostic) will also be used as base document for collecting all needed information for specific ARAP. The concrete expropriation proposal also involves the Beneficiary of Expropriation arranging a Bank Guarantee with a Commercial Bank for the assessed fair value. This assessment is prepared by referring to the Cadaster Register, which provides details on the titleholder, the immovable property, the type of land, and the area of the affected land. At this stage, the concrete expropriation proposal also obliges the Beneficiary of Expropriation to submit a request to the Cadaster Office, or other public register, to prevent any transaction (Article 32) on the land to be expropriated.

41. The individual ARAPs for a given section will also include; specific compensation rates; policy entitlements related to any additional impacts identified at the main design stage, if applicable; description of resettlement sites, if applicable; implementation schedule for resettlement activities; and detailed cost estimates. The ARAPs should be in full compliance with this framework, its principles and procedures. Each individual ARAP

¹⁰ Benefit of Expropriation under this RPF is consistent to the definition under the Law on Expropriation: is the entity which is performing the expropriation and the implementing entity for a particular scheme or project. In the case of the Road Rehabilitation and Safety Project, the Beneficiary of Expropriation and the implementing entity is the Public Enterprise Roads of Serbia (PERS).

must be disclosed, and compensation paid or grievance registered, before commencing construction on any specific section.

3.7 Processes and Consultation

42. When the scheme is declared to be "of public interest" and approved by the Government, the first step is the preparation and submission of the expropriation proposal, which includes all the needed papers and information – technical papers based on the main design and cadaster maps, information on each parcel – with a bank guarantee to a local government's property department (LGPD) in the municipality where the scheme will be implemented. LGPD is the body which administers the expropriation process based on the administration law, the Law on Expropriation and this RPF.

- The affected persons are notified personally as well as through the local media of plans to the scheme¹¹; and
- After public announcement and personal notification through the relevant municipalities, the LGPD starts the process as it is described below.

43. The role of the municipality in expropriation: The respective LGPD, where properties are being expropriated, administers the expropriation process at the local level in conjunction with the Beneficiary of Expropriation. In the first step, the municipality reviews the ARAP (expropriation proposal) for accuracy. Once the municipality has all the legal and technical documents and after review, it sends an invitation to all project affected persons, inviting them to a meeting, paying special attention to the needs of women. If the project affected area, (where land is being expropriated) is not spread out, the municipality calls for a public meeting. Otherwise, it invites the project-affected persons to come to the municipality one by one. During the meeting, the municipality informs the project affected persons about the project, presents them with all the information about the level of impact on their property with maps, their entitlement based on this RPF (a brochure with copy of the entitlement matrix and the RPF will be given to the project affected persons in the first meeting), the steps which will be taken afterward, provides them with legal advice and informs them about their rights, including the role of the independent grievance commission. In this meeting, there is no discussion of the comparability of the agricultural land or the concept of fair value. It is only a consultative meeting, informing the project affected persons and providing them with their entitlements and rights.

44. Once the information process is over, the municipality and the project, affected persons come to a decision on expropriation. However, if the project affected persons have a dispute about the decision of whether expropriation should be brought or not (or if they feel that the law was not followed), the project affected person can register their concern with the Ministry of Finance, and the decision has to wait till the Ministry of Finance reviews the case, which takes between 30-60 days. The review determines whether expropriation can continue or not. The latter can only apply if there is a deficiency in the ARAP or the expropriation proposal. In the case of the former, the valuation process starts. In the case of the latter, the case automatically enters the judicial procedure, and access can be gained to the site.

¹¹ In case of a large number of project affected persons requiring the preparation of a RAP, notifications through mass media and local authorities may suffice.

45. **Valuation Stage:** At the valuation stage, the Beneficiary of Expropriation contacts the Taxation Administration for the assessment of fair value for all land. In the specific case of agricultural land, the Beneficiary of Expropriation contacts the Ministry of Agriculture, which provides an assessment of the availability of comparable agricultural land. In addition, the Beneficiary of Expropriation hire, at its own expense, through the relevant municipality, an accredited expert(s) to assess the value of the land, agricultural output, businesses, and all immovable property and structures in accordance with paragraph 28(iii). At the request of the project-affected persons, they can be present during the valuation process.

After the valuation, the Beneficiary of Expropriation presents the offer to the project-affected person. If project affected person, with or without legal title, is not satisfied with the decision on valuation, they can approach the independent grievance commission, who will mediate in the manner described earlier. The grievance is required to be registered when first put to the independent grievance commission and the monetary amount equivalent to the assessed fair value are entered into a municipal account, in their name, in a court account in their name, or under a Bank Guarantee with a commercial Bank arranged by the Beneficiary of Expropriation. 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 is unhappy with the guidance/decision of the independent grievance commission, 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.

46. **Transaction Stage:** The expropriation of land and immovable property can take place through two processes: negotiated settlement or court settlement.

Negotiated Settlement: If the project-affected person-according according paragraph 28) agrees to a negotiated settlement, either in front of the LGPD or the independent grievance commission, then discussions between the municipality and project affected person will take place to finalize the transaction. If an agreement is reached, the project-affected person-according according paragraph 28) will be paid within 15 days after the agreement on the monetary compensation or the replacement of agricultural land or property. The expropriation should be registered in the land registry and cadaster office.

Court Settlement: A court settlement will occur if the negotiated settlement process fails. Prior to requesting a court settlement, rights to due process and appeals will be explained fully by the relevant municipalities, the independent grievance commission, the Beneficiary of Expropriation, and the implementing entity to the owners/affected persons. The municipality will hand over the case to the relevant court for valuation and registration, pursuant to the Serbian Law.

47. **Right of Appeal:** After failure or refusal to agree on the assessed fair value decided by the first-degree court, the owner/affected persons can appeal the decision stated in the judgment to the appeal, second degree and court. The ruling of the court determines who pays the cost of litigation.

48. **Payment of Compensation.** Landowners have the option to receive compensation even if they decide to contest the amount of compensation in court. When the right landowner is not determined due lack of titles, the fair assessed compensation will be put up under a Bank Guarantee with a commercial Bank arranged by the Beneficiary of

Expropriation. The landowners have an option to receive the fair assessed compensation, even when appealing to the court and waiting for the court decision, and receive additional compensation, if any, based on the court decision.

49. **Implementation of resettlement and rehabilitation impacts:** The resettlement impacts such as physical displacement, payment of resettlement and rehabilitation assistance, loss of small shops, shifting of memorial stone, impacts to common properties like water taps etc. will be mitigated and implemented by the PERS. The implementation process will be explained under ARAP. The resettlement and rehabilitation impacts are expected to be minimum and negligible.

50. **Monitoring:** The Beneficiary of Expropriation (PERS) 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 section and will have obligation of reporting on semi-annual bases. The IFIs as part of their supervision will also review the implementation progress and advice on implementation issues.

51. **Cost Estimates and Budget:** Since the RRSP is in phase of preparation and there are no main designs for section rehabilitations at the moment of this RPF preparation, no estimations of land requirements, or cost of expropriation and resettlement can be made. However, if it becomes necessary when the main design become available, the PERS, through its legal department, will be preparing ARAPs including detailed cost estimates for subject section.

3.8 Disclosure

52. This RPF in draft form was officially disclosed in English and Serbian on the official website of the PERS from November 06, 2012 until November 28, 2012, and it was advertised in the *Politika*, newspapers of national circulation on November 07, 2012.

53. On December 18, 2012, presentation of draft RPF to the stakeholders was held. The Minutes of the Presentation are shown under the **Attachment 5**. Appropriate comments were incorporated in this RPF.

54. In case of identified expropriation in later stages, every specific ARAP shall be also disclosed in the same manner to receive comments and suggestions. Since in the phase of ARAP preparation for a specific section all facts related to expropriation will be known, public consultation with all project affected persons and the municipality representatives will be held by PERS legal department. The detailed information of public consultation shall be incorporated in the ARAP.

55. The provisions of this RPF will be updated/modified from time to time based on the experience during the implementation, as needed.

ATTACHMENT 1 – List of Priority Sections for the First Year of RRSP

No	Section	Length (km)
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2013/2014 WB+EIB+PEPS financing

1	M-4S (0218-0219) Arandjelovac 3 - Krcevac	8.650
2	M-9S (0365) Vlasotinca - Svodje	12.730
3	M-8S (0342-0343) Stavalj - Susica	8.900
4	M-4S (0212-0215) Lazarevac 4 - Arandjelovac 1	13.670
5	M-21V (0441-0443) Iriski Venac-Ruma 2 (Putinci) / Irig 2 (Vrdnik)-Ruma 2 (Putinci) M-21V (0444-0450) Ruma 2 (Putinci)-Sabac 6 / Ruma 2 (Putinci)-Ruma 1 (autoput)	15.706
6	M-5S (0252) Uzice 3 - Pozega M-5S (0253) Pozega - Kratovska Stena	31.290
7	M-23S (0619-0621) Topola 2 - Cerovac M-23S (0622) Cerovac - Kragujevac 5	29.500
8	M-21.1S (0481) Pozega - Arilje M-21.1S (0482-0483) Arilje - Ivanjica	40.342
9	M-21V (0439) Paragovo - Iriski Venac M-21V (0440) Iriski Venac - Paragovo	8.036
10	M-4S (0188-0191) Zavlaka 2 (Likodra) - Valjevska Kamenica	24.750
11	M-25S (0702-0703) Kladovo - Brza Palanka	24.280
		217.854

2013/2014 EBRD financing

1	M-7V (0312) Zabalj 1 - Zrenjanin 1 (obilaznica)	24.248
2	M-1V (0003) Adasevci - Kuzmin 1 (autoput)/ M-1V (0004) Kuzmin 1 (autoput) - Adasevci	26.960
3	M-25S (0719-0722) Vratarnica - Knjazevac 2	23.600
4	M-21S (0471) Bela Zemlja - Knezevici M-21S (0470) Uzice 3 - Bela Zemlja	14.985
		89.793

Total length (km) **307.647**

ATTACHMENT 2 – Social Screening Check List

SECTION:	<i>(section name)</i>		
Screening team:	<i>(Names of team members performing screening)</i>		
Attachments:	<i>(Photos, additional docs, tables, etc.)</i>	date:	

No	Item description	Checked	Note for designer	Screening comments
1	Identification of section location - Start point - End point	<input type="checkbox"/> <input type="checkbox"/>		
2	Identification of lane width - Lane width - Lane no:	<input type="checkbox"/> <input type="checkbox"/>		
3	Shoulders width - Shoulders width - Shoulders condition	<input type="checkbox"/> <input type="checkbox"/>		
4	Identification of Settlements, and subsections with high intensity pedestrian traffic - Settlements - Type of settlements - High intensity pedestrian traffic	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
5	Identification of subsections with agricultural land next to the road - Agricultural area identification	<input type="checkbox"/>		
6	Identification of subsections passing by the woods - Woods - Green areas	<input type="checkbox"/> <input type="checkbox"/>		
7	Identification of structures ¹² - Commercial objects (workshops, cafes, stores etc.) ¹³ - Residential objects	<input type="checkbox"/> <input type="checkbox"/>		
8	Identification of places of great cultural heritage - Historical heritage - Cultural heritage - Nature preserved area - Weekend rest areas	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		

¹² During the initial screening the encumbrances will be videotaped and retained in the files.

¹³ Detailed information on commercial objects will be presented within "Diagnostic assessment of road condition before the intervention".

9	Potential black spots identification - Intersections - Crossroads - Schools	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
10	Bus stops - On carriageway - Niche	<input type="checkbox"/> <input type="checkbox"/>		
11	Vulnerable categories needs - Access to road - Sidewalks - Cycle lane - Banquette - Underground passage	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
12	Identification of rivers - Sources of drinking water	<input type="checkbox"/>		
13	Identification of utilities - Electricity - Low-voltage cable - Overhead Installation	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
14	Parking area - On carriageway - Side parking - Illegal parking	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
15	Identification of dangerous places (memorial stones and others)	<input type="checkbox"/>		

General conclusion, summary of social impacts, identification of potential issues, measures proposals, etc.

ATTACHMENT 3 – Social Measures Monitoring Check List

SECTION:	<i>(section name)</i>		
Supervision team:	<i>(Names of supervision team members performing monitoring)</i>		
Attachments:	<i>(Photos, additional docs, tables, etc.)</i>	date:	

No	Item description	YES/NO	Comments	Action/Responsibilities
1	Works marking - Information board - Traffic signalization	<input type="checkbox"/> <input type="checkbox"/>		
2	Works advertisement - PERS web site - Radio - Local media	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
3	Is complaint mechanism established properly - Responsible person named - The mechanism clearly described	<input type="checkbox"/> <input type="checkbox"/>		
4	Is local community familiar with complaint mechanism?	<input type="checkbox"/>		
5	Complaints/comments/inquiries received - Complaints - Comments - Inquiries	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
6	Freedom of movement and access to facilities by the road to the local population - Residential facilities - Commercial facilities - Agricultural land	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
7	Noise impact on local residents - Works limited to the working hours 07-17	<input type="checkbox"/>		
8	Control of the Contractor's contracts with local residents on accommodation of workers, storage of materials, machinery - Accommodation of workers - Organized feeding - Machinery storage - Lease of land for disposal of materials	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
9	Assessment of cooperation with local institutions - directorate for public transportation - Municipality - Police	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		

	- NGO	<input type="checkbox"/>		
10	Assessment of the degree of works impact on traffic <ul style="list-style-type: none"> - Works under traffic - Works without traffic <ul style="list-style-type: none"> o Deviations o Diverting 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
11	Hiring of local labor <ul style="list-style-type: none"> - Qualified - Unqualified 	<input type="checkbox"/> <input type="checkbox"/>		
12	Insurance of all employees against injuries <ul style="list-style-type: none"> - Sums insured in accordance with the contract - Sum insured in accordance with the contract 	<input type="checkbox"/> <input type="checkbox"/>		
13	Insurance against damage to third parties <ul style="list-style-type: none"> - Sums insured in accordance with the contract - Sum insured in accordance with the contract 	<input type="checkbox"/> <input type="checkbox"/>		
14	Questionnaire on degree of satisfaction of users <ul style="list-style-type: none"> - Questionnaire completed - Assessment of the degree of satisfaction 	<input type="checkbox"/> <input type="checkbox"/>		

General conclusion, identification of potential issues, measures proposals, etc.

ATTACHMENT 4 – Additional Key Legal Provisions

1. The Constitution of the Republic of Serbia (Official Gazette of RS, number 98/2006)

The Constitution, as the highest legal act, does not use the word expropriation, but it does regulate that the one can be deprived of the ownership right or it can be restricted only in the public interest determined on the basis of the law, with the compensation which cannot be lower than the market one.

2. Law on Expropriation (Official Gazette of RS, number 53/95, Official Gazette of SRJ, number br. 16/2001 – decision FCC and Official Gazette of RS, number 20/2009)

Apart from the provisions stipulated in the revision of RPF, the following are the key provisions of the Law on Expropriation:

- Public interest for expropriation of immovable property is determined by the law or decision of the government pursuant to this law
- The proprietor on the expropriated immovable property is replaced on the day when the decision on expropriation comes in effect (full expropriation).
- By expropriating the construction object on the construction land which is either public or private property, the proprietor of such object is deprived of the right to use the land occupied by the object and the land which serves for its regular use. The previous proprietor of the land, for which the right for utilization has been terminated, is entitled to the right for compensation, unless the compensation has been previously paid to him.
- When determining the public interest for expropriation, the Government is obliged to issue a decision upon the proposal for determining the public interest within 90 days.
- The decision of the Government ,by which the proposal for determining public interest was adopted ,is published in "Official Gazette of the Republic of Serbia" and is considered to be delivered to the parties in the procedure on the day it is published
- An action can be brought against the Government decision by which the proposal for determining public interest is defined within 30 days from the day it is delivered, or published "Official Gazette of the Republic of Serbia", and administrative litigious proceedings can be initiated with authorized court.
- A legal entity planning to submit a proposal for expropriation can demand to be allowed to perform the necessary preparatory activities on a specific immovable property (examination of soil, measurements and alike), for the purpose of making feasibility study, submitting a proposal for determining public interest of a proposal for expropriation .The legal entity, to the benefit of whom the preparatory activities have been allowed to be carried out, is obliged to pay compensation to the proprietor of the property, as prescribed by the law.
- The expropriation costs are borne by the beneficiary of the expropriation
- The beneficiary of the expropriation can give up the proposal for the expropriation before the decision comes into effect.
- The absolute decision on the expropriation shall be annulated or changed whenever the beneficiary of the expropriation and the previous proprietor demand it jointly. Upon the request of the previous proprietor of the expropriated property, or his successor,

the absolute decision on the expropriation shall be annulated or amended, if the beneficiary of the expropriation, within 3 years from the day the agreement on the compensation came into effect or from the day when the agreement on the compensation was concluded, if, as per the nature of the object, if he hasn't done any considerable construction works on the facility for the sake of which the expropriation has been performed. After the deadline of 5 years has expired since the decision on the compensation came into effect, or since the agreement on the compensation was concluded, the previous proprietor of the expropriated property, or his successor, cannot submit a request for the annulations or amendment of the absolute decision on the expropriation.

- The amount of the compensation for the expropriated immovable property is determined according to the market price, according to the circumstances at the moment the agreement on the compensation was concluded, and if the agreement has not been reached, according to the circumstances at the moment the first-instance decision on the compensation was issued.
- The previous proprietor is not entitled to the compensation for investments he has made since the day he was informed in writing about the submitted proposal for expropriation, unless for the costs necessary for the utilization of the property. This notice is delivered to the proprietor by the authority in charge of issuing decisions on the expropriation.
- The beneficiary of the expropriation is obliged to submit an offer regarding the form and amount of the compensation in written form to the municipal administration, within the deadline of 15 days from the day the decision on expropriation comes into effect. Without delay this authority sends in a copy of the offer to the previous proprietor.
- The agreement on monetary compensation is executed by the competent court, and the agreement on other forms of compensation by the municipal administration
- If the agreement on the full amount of compensation is not reached within 2 months from the day the decision on the expropriation comes into effects, the municipal administration shall send in the absolute decision on the expropriation accompanied with all documents to the competent municipal court for the purpose of setting the compensation amount.
- On the day the decision on expropriation comes into effect, personal easements and all actual burdens on the expropriated immovable property cease to exist, apart from the actual easements whose performance is possible after the expropriated immovable property has been brought to its purpose.
- The mortgage established on the immovable property is transferred to the immovable property which is given to the ownership or co-ownership in compensation for the expropriated property, or any other personal property of corresponding value.
- Registration of property and other rights on the expropriated property shall be made on the basis of the final decision on expropriation. The request may be submitted by any party.
- Rights of state-owned or private land may, upon the decision of the municipal government, be revoked or restricted and transferred to the second holder of the property in the public or public property, if it is in the public interest (administrative transfer).

3. Law on Cultural Heritage (Official Gazette of RS, number 71/94, 52/2011 – oth. laws and 99/2011 – oth. law)

- Expropriation of immovable cultural heritage, that is to say administrative transfer of cultural heritage that is state owned or social property, from one legal person to another, may be done:
 - 1) if the proprietor, that is to say owner or user does not have the possibility or interest to take protection measures, and the cultural heritage is in danger of being destroyed;
 - 2) if archeological excavations cannot be done in any other way, and measures of technical protection on the cultural heritage taken.
 - 3) if in no other way can the cultural heritage of great importance be made available to the public.

General interest for expropriation and the administrative transfer of cultural heritage is determined by the Government of the Republic of Serbia.

4. Law on Non-Litigation Procedure (Official Gazette of SRS, number 25/82 and 48/88 and Official Gazette of RS, number 46/95 – oth. law, 18/2005 – oth. law and 85/2012)

- In the judicial, non-litigation procedure, the court assigns compensation for the expropriated immovable property when the beneficiary of the expropriation and the previous owner have not concluded a valid agreement defining the compensation for the expropriated immovable property.
- This procedure is urgent.
- The court shall determine the hearing to give the beneficiary of the expropriation and the previous owner a possibility to make a statement about the type and magnitude of compensation, as well as of evidence of the value of immovable property that is gathered ex officio.
- At the hearing the court shall also produce other evidence suggested by the participants, if found to be of interest in determining the compensation, and if necessary, it shall designate expertise as well.
- After the assessment of all relevant facts, the court issues a decision that determines the shape and volume, that is the amount of the compensation.
- If the beneficiary and the previous owner agree on the form and volume, or the amount of compensation, the court shall base its decision on their agreement, unless it has been found that it is not contrary to the regulations enforced.
- If the beneficiary and the previous owner agree that compensation for expropriated building or flat is determined in the form of giving other buildings or flats, the agreement will specify a deadline for the execution of mutual obligations. If the deadline is not defined, the court shall issue a decision on the compensation by which the deadline shall be defined in accordance with the relevant provision of the Law on Expropriation of moving out of the expropriated building or apartment as a separate part of the building.
- The costs of the proceedings shall be borne by the beneficiary, except for the expenses caused by unjustifiable acts of the previous owner.

5. Law on Mortgage(Official Gazette of RS, number 115/2005)

- Mortgage is terminated when, in order to satisfy the public interest (expropriation, etc.), and in accordance with the law and on the basis of a court decision, the right of the owner to move the mortgage is transferred to a third party.
- In that case :
 - resignation is done upon the request of the new owner of the property;
 - a mortgagee acquires a lien on the claim for compensation or the compensation paid to, or he enters a mortgage on the immovable property handed over to the owner of the property instead of the seized property in the public interest.

6. Law on the Protection of Nature (Official Gazette of RS, number 36/2009, 88/2010 and 91/2010 – amend.)

- In the protected area, for the purpose of carrying out protection and preservation of the protected areas, when there is an interest of the Republic of Serbia, the real estate can be expropriated or property and other real rights over the real estate can be restricted.
- The procedure of expropriation of ownership rights over the real estate is carried out in accordance with special regulations, that is, in accordance with the Law on Expropriation.

7. Law on Spatial Planning and Construction (Official Gazette of RS, number 72/2009, Official Gazette of RS, number 81/2009 – amend, Official Gazette of RS, number br. 64/2010 – decision of the CC 24/2011, Official Gazette of RS, number 121/2012)

- In the process of expropriation of immovable property, the rights holders to use construction land shall be subject to the provisions on administrative transfer, contained in the law governing expropriation.
- The application for a building permit shall be accompanied by:
 - 1) a location permit;
 - 2) a preliminary or final design in triplicate, with a report on the technical control;
 - 3) a proof of ownership or lease of construction land, or evidence of title to the property if the construction works refer to building on the property;
 - 4) a proof of relations in terms of payment of the fee for construction land;
 - 5) a proof of payment of administrative fees.

For the construction of linear infrastructure facilities, as a piece of evidence for the point 3), final decision on the expropriation and proof that the ultimate beneficiary of the expropriation has secured funding in the amount of the market value of the real estate may be submitted.

8. Law on State Cadaster (Official Gazette of RS, number 72/2009 and 18/2010)

In accordance with this Law, land registry entry is used for facts that, among other things, are related to the initiation of the expropriation of real estate.

General conditions for the land register entry in the real estate cadaster are:

1. existence of a registered property;
2. the existence of the registered predecessors;

3. the existence of documents for registration;

Entry into the real estate cadaster is performed on the basis of a private or public document.

The particular document must contain:

1. place and date of preparation, that is certification;
2. designation of real property to which the document refers to according to the cadastral data;
3. surname, first name, or the name, place of residence or registered office and citizen's personal number, or identification number of the registered person and the predecessors on whose behalf the enrollment is required.

Documents for land register entry must be accompanied by the original or a certified copy. A public document to be eligible for registration has to be absolute.

The request shall be submitted in written form. The application for registration must contain:

1. surname and name , citizen's personal number, that is the name, seat , address and registration number of the claimant
2. name of the land registry unit and designation of the real state for which the registry is sought ;
3. the real right or change for which the registry is required .

With the application for registration in the real estate cadaster one should enclose the document for entry in the original, a certified copy or certified transcript. The request is accepted and the entry allowed when these requirements are met and when the application is in accordance with the contents of the submitted documents. Otherwise, the request is rejected.

9. Law on Public Roads (Official Gazette of RS, number 101/2005, 123/2007, 101/2011 and 93/2012)

This Law regulates that the works on periodical maintenance of public road include: strengthening of the carriageway construction, rehabilitation and increased road maintenance.

Work on rehabilitation of the public road is especially:

- 1) Selective renewal, replacement and strengthening of damaged carriageway pavement and replacement of cross slopes of the carriageway on the public road, or its part;
- 2) replacement of complex dilation devices, isolation, carriageways, fences, drainage systems, bearings, damaged secondary elements and worn pedestrian walkways on bridges, overpasses, underpasses and viaducts;
- 3) reparation of anticorrosive protection for the steel bridge constructions, overpasses, underpasses and viaducts;
- 4) replacement of deformed, damaged and temporary water pipes;
- 5) installation of new traffic signalization on the public road, or its part.

This construction work is performed according to the technical documentation that is developed in accordance with this Law, technical regulations and standards which contain: a general part, project task, technical description, situation plan, longitudinal sections,

cross sections, details needed for road construction work, project for traffic signalization and equipment, description of construction work with bill of quantities and estimated cost, project on regulating traffic during the construction work and technical control of technical documentation.

This technical documentation, before the beginning of construction work on strengthening, rehabilitation and increased maintenance of the public road is certified by the Ministry for Public Roads and for Municipal roads and streets, that task is performed by the municipal or city authority that is responsible for traffic business.

Certification ceases to be valid in the case when construction work does not begin within a year from the day of the performed certification.

10. Opinion of the Ministry of Finance, number 434-02-00037/2011-04, on September 01, 2011

According to this opinion, public enterprise for the roads is not considered an entity that is exempt from the republic administrative tax, and there is no legal basis on which that entity would be exempt from tax regarding the request made to the geodesic organization for enforcing legally binding solutions on expropriation which are used for registration of property rights in favor of RS and, at the same time, the right of usage in favor of the public enterprise for roads as the user, as well as the decision that is being made on that basis.

ATTACHMENT 5 – The Minutes of the Presentation of the draft RPF

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Republic of Serbia
ROAD REHABILITATION AND SAFETY PROJECT

The Minutes of the Presentation of the draft Resettlement Policy Framework

In order to comply with social safeguard policies of the IFIs, the implementing agency, Public Enterprise "Road Serbia" (PERS) prepared draft Resettlement Policy Framework (RPF). This draft document has been reviewed by the IFI's on several occasions and the last comments were received on November 13, 2012 and December 04, 2012.

As part of the procedure of acceptance of draft RPF represents receipt of suggestions and comments from the wider public, for the purpose of receiving these comments and opinions on the draft RPF, but also to get the public acquainted with the contents of the document and rules applicable in dealing with the issues related to possible expropriation and resettlement under the projects financed by international loan funds, PERS as implementing agency for the prospective RRSP scheduled presentation of draft RPF on December 18, 2012.

In order to receive the comments and opinion of the public, draft RPF was advertised in the daily newspapers *Politika* on November 07, 2012, while the document itself was published on the official PERS site on November 06, 2012. The document was available on the site by November 26, 2012.

As the goal of the Presentation was to include the relevant Project stakeholders, but also representatives of local communities and wider population (e.g. physical entities, NGOs, local authorities, etc.), a particular invitation to the said presentation was distributed to the following stakeholders that may have interest in implementation of the Project. The invitation for the presentation was also sent to the PERS departments considered important for this aspect of the Project.

1. Ministry of Transport
2. Ministry of construction and urbanism
3. Ministry of Finance and Economy
4. Tax Administration
5. Ministry of Energy, Development and Environmental Protection
6. Corridors of Serbia
7. Municipality Aranđelovac
8. Municipality Topola
9. Municipality Vlasotince
10. Municipality Sjenica
11. City of Lazarevac
12. Municipality Ruma
13. Municipality Irig
14. Municipality Požega
15. Municipality Šabac

The Minutes of the Presentation of the draft RPF

16. City of Kragujevac
17. Municipality Arilje
18. Municipality Ivanjica
19. Municipality Valjevo
20. Municipality Krupanj
21. Municipality Kladovo
22. CIP Institute
23. Highway Institute AD Belgrade
24. Faculty of Transport and Traffic Engineering
25. Faculty of Political Sciences, Department of Social Policy and Social Work
26. Faculty of Philosophy, The Chairman of the Sociology Department
27. Belgrade Centre for Human Rights
28. CUPS - Centre for improvement of legal studies
29. Civic Initiatives
30. Transparency Serbia
31. Lawyers' Committee for Human Rights
32. REC County Office Serbia

The original invitation letter as issued in Serbian is presented in the Attachment 1 of the Minutes.

Besides Mr. Nikola Veselinović, who held the presentation, the Presentation was attended by the following PERS representatives: Mr. Goran Tomić (Director of the Legal Sector), Mr. Luka Ćuković (PERS Legal Department), Mr. Marko Aleksić and Ms. Milena Vuksanović (Project Team members).

The remaining attendees were from the Ministry for Environmental Protection, CIP Institute and the World Bank.

A full list of participants is provided in the Attachment 2 of the Minutes.



The Minutes of the Presentation of the draft RPF

The presentation of the draft RPF was started on the premises of the PE "Roads of Serbia", Bul. kralja Aleksandra 282, at 11:00 AM (local time) and was supported by printed hand-outs (Draft RPF and printed presentation).

After a general introduction and story about the prospective Road Rehabilitation and Safety Project, its scope and objectives, a more detailed presentation of the basic principles of expropriation under the IFIs-financed projects was made. Mr. Veselinović explained the purpose of preparation of this document and described the conditions for its appliance. The contents of the draft RPF were widely presented and general story about the actions to be implemented on behalf of the Employer in advance to designing (Diagnostic Phase) was presented and activities in regards to prospective possible expropriation and resettlement issues under the Project were more closely analysed. The purpose of Diagnostic Report and meaning of the cut-off date were also explained.

During the whole presentation, on several occasions it was pointed out that the Road Rehabilitation Project is unlikely to involve any expropriation (except in cases when requirements of road safety need to be satisfied or in other similar cases) and that in case that expropriation of wider scope is necessary a particular Action Plan would be prepared.



After the Presentation of draft RPF, Mr. Tomić continued the discussion providing examples of common practice of the enterprise in regards to preparation of the RPFs (for international projects financed by the World Bank, but also by the European Investment Bank and European Bank for Reconstruction and Development). Significant experience of the PERS staff on work on expropriation-related issues for the purpose of the Corridor X Project was also highlighted.

Mr. Tomić pointed out that principles applied in Operational Policies of the IFIS basically have the same grounds as the principles of the relevant Serbian Law, and that we cannot speak of differences or deficiencies of the local regulation in comparison to provisions of the OP as these are based on the similar approach. This was particularly highlighted by providing the example from the practical experience in case when the owner of the expropriated property refuses the compensation and prevents the Works. In case of the RPF it is stated that the complaint of the project affected party needs to be registered by the

The Minutes of the Presentation of the draft RPF

Grievance Commission, while Serbian law in this sense is more stricter as it asks for a decision issued by the Ministry of Finance, which inter alia is based on the complaint of the project-affected person and opinion of the local municipality.

Mr. Tomić particularly spoke about the paragraph 26 of the RPF and suggested that money for the expropriated property, in case when the party declines the offer for expropriation, instead to the account of the local self-government should be transferred to the account of the party owning the property in question, which would be still free to continue the dispute and ask for compensation deemed appropriate for its needs. This would bring numerous benefits both for the PERS as the implementing agency and the Beneficiary of Expropriation as the money would be paid immediately when the money is at hand and for the party, owner of the expropriated property as he/she would immediately have at disposal the unquestionable amount of compensation.

In regards to the Paragraph 27 of the RPF, Mr. Tomić informed on the novelty in this draft RPF implying that in case of valuing the cost of affected structures, the depreciation cost of structures would not be taken into account and the estimation of costs would be assessed on how much it would cost for building a new one of the same quality. This information would have to be sent to the Institute for Expertise.

After the PERS, active involvement was taken by other participants.

Mr. Vidosav Stevanović, a designer from the CIP Institute noted that from the title of the document and presentation of the scope of prospective Project it may be concluded that there would be no expropriation/resettlement under the Project. As said earlier, possibility of occurrence of the expropriation is expected only for the safety reasons in case when geometry of the road needs to be changed. Additionally, as suggested by this CIP representative, some expropriation issues may be also expected due to introduction of new road categorization (when road of lower class needs to be widened to meet the new stated standards), but on the PERS side it was responded that these options were and would be also considered much in advance to design preparation phase.

Ms. Gorica Aleksić, an Environmental Specialist from the CIP Institute asked what would happen if within the existing right of way, illegal occupation is noted. The response is that all people affected by the expropriation recorded by the cut-off date would be treated in the same manner as the people with legal position, and that appropriate compensation for the expropriated property would be provided.

Ms. Aleksić pointed out that education of all stakeholders and people that might be affected by expropriation is necessary and that Projects of this type and documents such as RPF are excellent starting points for introduction of good principles in the practice.

General conclusion of the presentation was that the document is still open for suggestions and comments of all parties and that improvements are possible and should be made based on experience in work with Serbian institutions and International Financing Institutions.

The Presentation ended at 12:00 (local time).

Attachment No. 1 to the Minutes of the Presentation of the draft Resettlement Policy Framework

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Република Србија
ПРОЈЕКАТ РЕХАБИЛИТАЦИЈЕ ПУТЕВА И УНАПРЕЂЕЊА БЕЗБЕДНОСТИ
САОБРАЋАЈА

Предмет: Позив на презентацију нацрта Оквирне политике расељавања за
Пројекат рехабилитације путева и унапређења безбедности
саобраћаја

Поштовани,

Јавно предузеће „Путеви Србије“ је, као будућа агенција за имплементацију Пројекта рехабилитације путева и унапређења безбедности саобраћаја, који је тренутно у припреми, за потребе овог Пројекта који ће покрити око 1.110 км националне путне мреже у 5 година реализације, припремила, у складу са политикама Међународних финансијских институција које ће финансирати овај Пројекат, нацрт Оквирне политике расељавања која би се спровела на Пројекту у случају неопходне експропријације за потребе реализације радова или унапређења безбедности.

Како би се поменути документ ускладио са домаћом регулативом и довео у форму најпрактичнију за имплементацију у оквиру предметног Пројекта, овим путем Вас или Ваше представнике позивамо да узмете учешће на презентацији документа **18.12.2012. године у просторијама Јавног предузећа „Путеви Србије“, Булевар краља Александра 282, у малој сали са почетком у 11 часова.**

Циљ презентације је да се добију коментари и мишљења на нацрт Оквирне политике расељавања, али и да се јавност упозна са садржајем документа и правилима у решавању питања експропријација и расељавања у оквиру међународних пројеката.

Сматрамо да би Ваше присуство значајно допринело овој презентацији, те да ће кроз удружена искуства и знања проистећи документ највишег квалитета који ће задовољити захтеве свих страна укључених у реализацију Пројекта.

Молимо да нам путем електронске поште на адресу gordana.suboticki-djordjevic@putevi-srbije.rs потврдите Ваше присуство или присуство Ваших представника.

Унапред хвала,

Директор Сектора за инвестиције

Suboticki

Гордана Суботички-Ђорђевић, дипл.инж.грађ.

Invitation letter

Attachment No. 2 to the Minutes of the Presentation of the draft Resettlement Policy Framework

Stakeholders consultation: Presentation of the draft Resettlement Policy Framework		Place of consultation: Premises of the Public Enterprise "Roads of Serbia" Bul. kralja Aleksandra 282	
Project: Road Rehabilitation and Safety Project		Date: December 18, 2012	
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