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RESETTLEMENT ACTION PLAN

CORRIDOR VC IN REPUBLIKA SRPSKA: JOHOVAC TO VUKOSAVLJE (36 km)

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List of Abbreviations

AC	Agricultural cooperative			
ARS	Autoputevi Republike Srpske			
BAM	Convertible Mark, Bosnia and Herzegovina national currency			
BiH	Bosna and Herzegovina			
EIB	European Investment Bank			
EIA	Environment impact Assessment			
EUR	The European currency - the euro			
FBiH	Federation of Bosnia and Herzegovina			
IFI	International Financing Institution			
RAGPA	Republic Administration for Geodetic and Property Affairs			
RAP	Resettlement Action Plan			
RS	Republic of Srpska			
SEP	Stakeholder Engagement Plan			

2 INTRODUCTION

The public company "JP Autoputevi Republike Srpske" (the Company or ARS) intends to implement the construction of the 36-km road section of the Trans-European Corridor Vc from the Interchange Johovac to the Interchange Vukosavlje, through the territory of Republika Srpska, in Bosnia and Herzegovina (the Project). The European Investment Bank (EIB) is considering providing finance for this section of Corridor VC, as part of the loan agreement signed with Bosnia and Herzegovina.

The implementation of the Project requires land acquisition in three municipalities in Republika Srpska, through which the motorway footprint passes – Doboj, Modriča and Vukosavlje. Land acquisition will cause limited physical displacement of one (possibly two) households and may cause some livelihood losses.

This Resettlement Action Plan (RAP) addresses land acquisition related impacts of the Project, with the aim of ensuring that standards of living and livelihoods of affected people and households are, at the very least, fully restored after land acquisition. The document has been developed by ARS, with assistance from a team of independent consultants, in accordance with the RS legal framework, as well as the EIB Environmental and Social Standards, specifically ESS 6 (Involuntary Resettlement).

At the time of developing this document, acquisition of land is already ongoing through a process of expropriation, on the basis of the Project preliminary design. Having in mind that ARS intends to select a design & build contractor to implement the Project, further design changes which may increase land acquisition requirements, are possible in the later stages of the Project, particularly in relation to road interchanges and access roads.

The RAP provides information on the current status of land acquisition for the Project, as it differs in each of the three municipalities. The document presents the findings from a resettlement / land acquisition audit carried out in November 2021 which aimed to determine how land has been or is currently being acquired, and how this compares to EIB requirements. The document also presents a plan for acquisition of land and mitigation of impacts that are currently known, as well as the main guiding principles which will be followed in acquiring any additional land that may result from further design changes or any other reasons in connection to the Project.

3 PROJECT DESCRIPTION

The Trans-European Corridor Vc is the main north-south transport route through Bosnia and Herzegovina. It connects Budapest (Hungary) to the Adriatic port of Ploče (Croatia). Within BiH, the total length of Corridor VC is approximately 335 km (divided into 7 LOTs), of which 46.6 km pass through Republika Srpska.

The Project is a 36 km long section of Corridor Vc called Johovac - Vukosavlje, which is to be constructed in the northeastern part of the country, through the territory of three municipalities — Doboj, Modriča and Vukosavlje (see Figure 1). The alignment consists of two sub-sections: the Odžak-Vukosavlje section which formally belongs to LOT 1 and Vukosavlje - Johovac section belonging to LOT 2.

The overall strategic alignment of the Corridor Vc was determined by several planning documents dating back as far as the 1980-ies, which were all subject to a public consultation process. The criteria used for the consideration of alternatives included spatial, ecological, traffic and economic issues, among which is the cost of expropriation, i.e. the number of structures affected and people who would need to be physically displaced.

The details of how the selected route compares to other considered alignments are unfortunately not available, however, the road section being considered under this Project appears to have avoided physical displacement, almost entirely, with only two residential structures affected, both of which still remain to be acquired.

The significance of the road for Republika Srpska is twofold:

- Improved trade relations with neighbouring countries and central Europe, and
- Improved quality of life of citizens, through:

- Increased access to employment opportunities;
- Decreased journey length and time for passengers and goods;
- Reduced travel costs for passengers and goods;
- Increased competitiveness of the economy;
- Launching new projects and increasing private investment in the regional economy;
- Improved road safety conditions for users of roads, and
- Improved safety for local community members using roads (as drivers but also pedestrians) from which traffic will be diverted onto the motorway.



Figure 1: Location of the Project

The northern part of the proposed road alignment starts in the Municipality of Vukosavlje, about 6 km north of the town of Modriča. The alignment passes through a wide plain of predominantly cultivated land. After the interchange Vukosavlje, the alignment enters the alluvial plain of the Bosna River and remains in the plain until the end. The interchange Vukosavlje will also be a connection to the future motorway Vukosavlje – Brčko – Bijeljina – border with Serbia, for which expropriation is currently in progress, but this is not a part of the Project and is not addressed in this document.

The most important structures proposed along the alignment are the cut-and-cover tunnel Dobor (approx. 1 km) and four bridges over the Bosna River (up to 600 m each). The cut-and-cover tunnel Dobor will be built along the existing regional road M-17, which will be diverted on top of the tunnel.

Besides four bridges across the Bosna River, a number of small water courses will be crossed by culverts. The local agricultural roads will be intersected by 23 underpasses. The proposed alignment will intersect the existing regional roads by 5 over passes. The entire alignment is proposed on the embankment with an average height of 4.25 m.

The road will have a design speed of 120 km/h and be approximately 28 m wide and accommodate 2 running lanes of 3.75 m and a hard shoulder of 2x1.5 m and a central reserve of 4 m. The layout of the Project is shown in Figure 2.

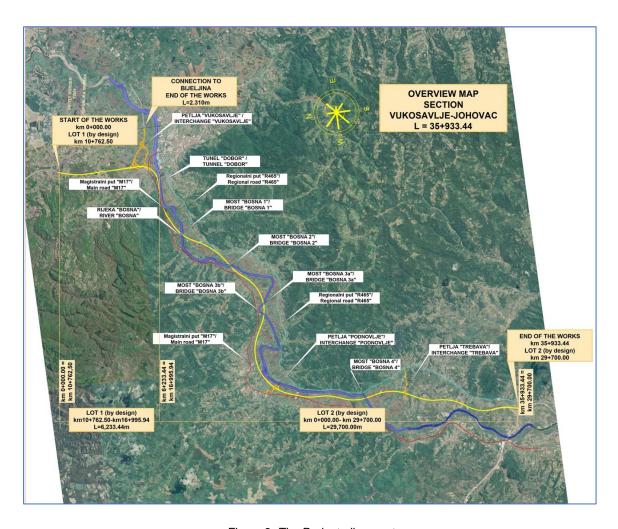


Figure 2: The Project alignment

4 AFFECTED COMMUNITIES

The Project footprint is located approximately 100 to 130 km east of the city of Banja Luka, along the river Bosna, through the territory of three municipalities – Doboj, Modriča and Vukosavlje.

The footprint does not pass by the urban centre of Doboj, only through villages that territorially belong to this municipality. Contrary to that, the footprint passes near the outer edges of two other municipal centres – Modriča town and Jakeš town (administrative centre of the municipality Vukosavlje). Vukosavlje is the 'youngest' of the three municipalities as it was formed after the war in BiH, partly from the territory of the municipality Modriča and partly from the territory of the municipality Odžak (now administratively a part of FBiH).

The Project footprint passes through the territory of a number of smaller villages which belong to the three municipalities. Table 1 below provides an overview of these settlements, located on each side of the proposed motorway, with information on the population of each settlement from the latest population census conducted at the end of 2013, by the Institute for Statistics of Republika Srpska¹. The settlements are predominantly linear, concentrated along the two regional roads (M-17 and R-465) and local roads.

¹ Census of population and households in 2013 – Institute for Statistics of Republika Srpska, 2014

The settlements form local communities (one or more settlements grouped together), whose purpose is to enable the fulfilment of everyday needs of citizens in the field of settlement development, housing utilities, health, education, social protection, etc. and they have their own elected local community councils, represented by presidents of councils.

The Project footprint and the settlements located on each side of it are presented in Figure 3.

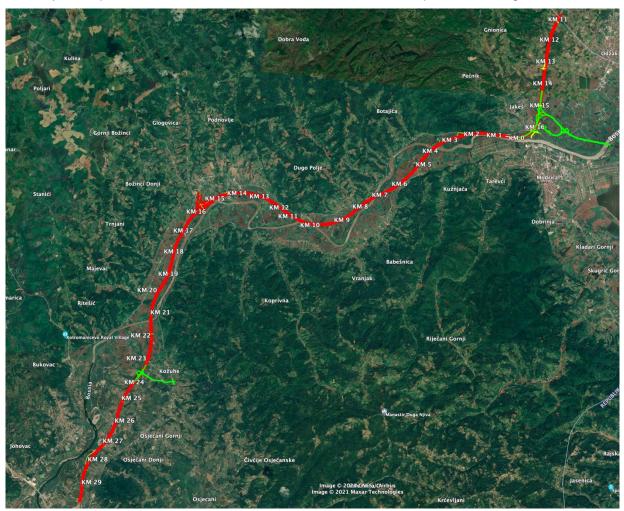


Figure 3: The Project footprint and settlements on each side of it

Population data

The total population living along the footprint is estimated at close to 26,000 people, however it should be noted that the settlement centres which are more densely populated are located further from the footprint, while in most cases only the outskirts of these settlements are in fact close to the project area.

The whole region where the project is being implemented was strongly affected by migration during and after the war in BiH in the 1990-ies and, unfortunately, the negative population growth continues, with low birth rates and significant outmigration of young people.

Table 1: Settlements along the project footprint and their population

Municipality	Settlement (village)	Population		No. of households
		Male	Female	
	Bušletić	279	277	239
	Osječani gornji	513	571	427
	Osječani donji	349	338	256
	Kožuhe	496	503	387
Dahai	Ritešić	168	159	142
Doboj	Majevac	170	159	135
	Trnjani	292	317	226
	Božinci donji	172	157	123
	Glogovac	256	261	195
	Podnovlje	552	604	372
	Koprivna	579	572	456
	Dugo polje	487	507	343
	Vranjak	687	732	537
	Babešnica	7	11	6
Modriča	Botajica	288	291	210
	Kužnjača	12	15	11
	Tarevci	1311	1408	880
	Modriča city	4258	4738	3283
	Vukosavlje	345	346	234
	Jakeš	633	605	443
Vukosavlje	Jezero	138	153	117
	Srnava	90	93	84
	Modrički lug	493	476	259
TOTAL	23	12.575	13.293	9.365

The total population of the three affected municipalities is estimated at 88,000 and the detailed breakdown is provided in Table 2 below.

Table 2: Municipalities along the project footprint and their population²

Municipality	Population (estimate mid 2019)						
	Male	TOTAL					
Doboj	28,842	30,960	59,802				
Modriča	11,527	12,112	23,639				
Vukosavlje	2,155	2,138	4,293				
TOTAL	42,524	45,210	87,734				

The average age in all three municipalities is fairly consistent with the average age at the level of Republika Srpska (43,17). The aging index³ in Vukosavlje and Doboj (139) is below the national average of 152,11 while in Modriča, the aging index is higher at 162,90. This means that the population in Modriča is aging more quickly than in the other two municipalities. The age group breakdown in each municipality is provided in Table 3. The leading cause of death in the affected municipalities is cardiovascular disease.

Table 3 Age of the population

Municipality	0-19	20-64	65+
Doboj	19%	62%	19%
Modriča	18%	60%	22%
Vukosavlje	19%	61%	20%

Serbs make up the largest ethnic group in Doboj and Modriča, while in Vukosavlje close to half of the population comprises Bosniaks and a larger Croat community than in the other two municipalities (see Table 4).

Table 4: Ethnicity of the population

Municipality	Serbs	Bosniaks	Croats	Other
Doboj	74%	21%	2%	2%
Modriča	80%	12%	6%	3%
Vukosavlje	33%	46%	16%	4%

The majority of the population in all three municipalities has completed secondary education. As can be expected in the city of Doboj, education levels are higher than in the other two municipalities. A detailed breakdown of education in each municipality is provided in Table 5.

Table 5: Education level of the population

³ The aging index represents the ratio of the number of older inhabitants (60 and older) and younger inhabitants (0-19 years of age).

² Cities and municipalities of Republika Srpska, 2020

Municipality	No education	Incomplete primary education	Primary education	Secondary education	Higher education
Doboj	6%	10%	23%	49%	12%
Modriča	6%	14%	25%	47%	9%
Vukosavlje	9%	19%	27%	41%	4%

Unemployment data

Following the Covid 19 crisis in 2020, registered unemployment⁴ has been steadily declining in Republika Srpska, and has reduced by over 14% compared to the last quarter of 2020. The detailed situation in the affected municipalities is presented in Table 6 and Table 7 below. Data pertaining to Vukosavlje municipality is provided within the data presented for Modriča, as one employment bureau covers both municipalities.

Table 6: Registered unemployment of the population (September 2021)

Municipality	Registered uner	nployed persons	Newly regis	tered in 09.2021.
	M F		M	F
Doboj	1,409	1,725	100	116
Modriča	546	617	61	99

Table 7: Qualifications of registered unemployed persons (September 2021)

Municipality	Unskilled		Semi	skilled	Skille	ed or above
	M	F	M	F	M	F
Doboj	345	257	22	32	1,042	1,436
Modriča	143	105	6	3	397	509

Local incomes and livelihoods

Due to the proximity of villages to urban centres, primary incomes of households in the affected area are salaries and pensions, while farming is often carried out on a small-scale and is subsistence based. Plots are small and farming techniques are undeveloped resulting in low to moderate yields. Crops, which include corn, oats, barley and rye are often used as animal feed or for household subsistence. Households also have a small number of animals, which they mainly keep for household consumption.

The most recent available data on average monthly salaries in the affected municipalities is from 2019, however it shows how they each compare to the national average. In 2019, the average net salary at the level of Republika Srpska was 906 BAM (463 EUR). The city of Doboj is close to the national average with an average salary of 902 BAM, while Modriča (812 BAM) and Vukosavlje (696 BAM) are both below.

Given the small scale farming and modest crop yields in the Project area it is reasonable to assume that average monthly income of people whose livelihoods are fully land based, is lower than the average salaries presented above.

⁴ Public Institution Employment Institute of Republika Srpska

Utilities and transport

Water supply in villages is provided from local groundwater wells. No sewer system is present in the area so the wastewater in villages is discharged either to private septic tanks or directly to local streams. The area is covered with electrical power infrastructure and telecommunications network.

Public bus transport is available to the communities through a network of local buses operating in the area and regional and international buses with stops in the urban centres of the municipalities. The primary form of individual transport is car, while bicycles are not widely used.

Housing

Residential houses in the project area are predominantly one to two storey buildings in moderate condition. Individual small holdings usually comprise a plot of land with a house, a few outbuildings (e.g. for livestock etc.) and an area for growing produce, such as vegetables (potatoes, tomatoes, peppers, cabbage) and fruits (plums, pears and apples). Local people keep livestock (cattle, pigs, sheep) and poultry (chickens, hens, turkeys).

5 LAND ACQUISITION NEEDS AND CURRENT STATUS

5.1 Total Planned Land Acquisition

The total number of land plots that are planned to be acquired for the Project, at the time of developing this document is 1.746, of which only 153 plots (0,09%) are public land. However, when looking at the total area of land that will be affected (426 ha), almost half of it is publicly owned land (195 ha, 46%). The majority of acquired land is needed for the actual motorway (79%), while the remaining 21% is needed for access roads and other motorway facilities.

As discussed earlier, only two households (one household using two residential structures) will be physically displaced and both are in Vukosavlje municipality.

Municipality	Number of affected plots		Area of affected land (in Ha)		Number of affected structures	
	Privately owned	Public land	Privately owned	Public land	Residential	Non residential
Doboj	848	88	112	77	/	/
Modriča	700	198	86	117	/	/
Vukosavlje	198	20	33	1	3	3
TOTAL	1.746	153	231	195	3	3

Table 8 Total planned land acquisition, by municipality

Approximately 1,400 individuals own the affected land plots and close to 40% of the owners are women. The number of non individual owners (legal entities) is very small and includes 4 agricultural cooperatives (AC), 1 hunting association and 1 religious community.

Table 9 Total number of owners of affected land, by municipality

Municipality	Number of affected			Non individual
	privately owned plots	Male owners	Female owners	owners

Doboj	848	406	303 (43%)	4 AC 1 hunting association
Modriča	700	350	197 (36%)	1 (Islamic community)
Vukosavlje	198	116	54 (32%)	0
TOTAL	1.746	872	554 (39%)	0

The affected agricultural cooperatives all have land located on the territory of Doboj municipality and the total affected land of these cooperatives is 3,29 ha, most of which (2,2 ha or 67%) belongs to one cooperative – Bosnakoop Doboj.

According to an internet article from July 2021, the cooperative owns 400 ha and has been in a dire financial situation for a long time, which is why the City of Doboj is planning to acquire it, all its assets and debts⁵.

The amount of affected land belonging to the Hunting association and the Islamic community are very small (0,1 ha and 0,32 ha, respectively).

Table 10 Affected agricultural cooperatives in Doboj

Name of cooperative	Location of land (cadastral municipality)	Total area of land affected
AC Kožuhe	Kožuhe	0,8 ha
AC Bosnakoop Doboj	Majevac	2,2 ha
AC Agrotrebava	Osječani Gornji, Majevac, Ritešić	0,25 ha
AC Podnovlje	Podnovlje	0,04 ha
TOTAL		3,29 ha

When analysing registered land use data, the majority of the privately owned land is arable land (89%), with very little pasture land and meadows (7%) and forest land (3%), as well as less than 1% of orchards or courtyard (garden) land. Public land exclusively comprises roads, canals, unused land and river bed (195 ha).

Table 11 Registered land use of affected land plots

Municipality	Arable			Pastures,	Garden,	Road,	
	land	Orchard	Forest land	meadows	courtyard	canal,	River

⁵ <u>https://ozrenmedia.com/doboj-konacno-na-pomolu-sporazum-grada-doboja-i-pz-bosnakoop-doboj-grad-otkupljuje-bosnakoop-za-18-miliona-km/</u>

						unused land	
				(in hectares))		
Doboj	109	0,05	1,67	1,29	0,17	76	1
Modriča	68	0,03	3,73	14,25	0,12	17	100
Vukosavlje	29	0,1	1,95	0,9	0,17	1,1	0,07
TOTAL	206	0,18	7,35	16,44	0,46	94,1	101,07
% of privately owned land	89%	0%	3%	7%	0%	0%	0%

It should however be noted that the registered land use data does not fully mirror actual land use. Although the majority of agricultural land is still used to some extent, the use of the land has been declining in the past thirty or more years, as people have begun moving to urban centres and finding other sources of livelihood. In discussions with various stakeholders, it is clear that some of the land, although registered as agricultural, has not been used for years, including land near the riverbed which is more frequently flooded than ever before. It also appears that some owners have allowed others to use their land, to prevent the land from becoming degraded. This is often the case when someone is already cultivating a nearby plot of land and it makes economic sense to expand cultivation, both because the machinery is already available and to prevent further degradation, which can cause difficulties for nearby cultivated land (expansion of weeds, birds collecting, etc.).

5.2 Current Status of Land Acquisition

Land for the project is being acquired through an expropriation process, conducted by the Republic Administration for Geodetic and Property Affairs (RAGPA), through its branch offices in the municipalities (property administrations). The Beneficiary of Expropriation is Republika Srpska (for the benefit of ARS), represented by the RS Public Attorney's Office.

At the time of developing this report, the situation with land acquisition differs in the three affected municipalities. In Modriča, expropriation is almost completed and in Doboj, more than half of the expropriation decisions are legally binding i.e. cannot be appealed against. In Vukosavlje, land acquisition has not begun and this is presented in the next section of this RAP. The total area of privately owned land for which expropriation needs to be initiated in Vukosavlje is less than 15% of the total privately owned land to be acquired for the Project.

Municipality	Total number of expropriation cases	Total % expropriation decisions legally binding	Total % of appeals (on final decisions)	Total % of court appeals requesting higher compensation	Total % of requests for acquisition of remaining part of plot
Doboj	486	58%	1%	73%	74%
Modriča	435	99%	1%	22%	45%

Table 12 Status of land acquisition in Doboj and Modriča

Expropriation is essentially carried out in two stages, briefly explained here, while the details are provided later in the document, in Section 6.1.

The first stage concerns the expropriation proposal and decision, which is a stage in which owners are invited to a hearing to be asked if they agree with the proposal and shown the plot in question and the total area, as well as to resolve any ownership or use issues (additional owners, or other owners than those

who are registered, any third parties claiming that they own or use the affected land, etc.). If the ownership issues are in order and the owners agree, the expropriation decision is passed and it is final and legally binding, if not, owners may appeal first administratively and then judicially. Once the appeals have been processed, the decision becomes legally binding. Starting from the first hearing and until the decision is final, owners can request for the remaining part of their plot (or other neighbouring land) to be expropriated if they feel that it is economically unviable for them to continue using that remaining land after expropriation. This request is processed as part of a separate procedure, as per the recent changes in the law, presented later in the document.

In the second stage, the owners are offered the compensation amount and if agreed, the agreement is signed and compensation executed. If the owners do not agree with the offered compensation amount, the case is referred to the court to decide.

In Modriča, the teams from the property administration basically combined the two presented stages into one (where the owners agreed), as the recent changes in the law allow for this to be done, ensuring faster processing of cases. In Doboj, the two stages are still being implemented separately and in addition, because of the extent of work, the property administration is being supported by teams from another municipality (Bjeljina) who are carrying out expropriation in some of the affected cadastral municipalities on the territory of Doboj.

As can be seen from the table above, in Modriča, the expropriation process is almost fully completed and in approx. 22% of expropriation cases, the owners have requested higher compensation amounts from the court. In Doboj, close to 60% of the decisions are completed, and in as high as 73% of these (completed) cases, the owners are seeking higher compensation in court. An approximately similar percentage (74%) have requested the acquisition of the remaining part of the land, while in Modriča this percentage is also high, close to 50%. Possible reasons for these outcomes are discussed in the section presenting the results of the audit that has been carried out, in Section 7 of the RAP.

5.3 Planned Land Acquisition and Expected Impacts

As mentioned earlier, in Vukosavlje, expropriation has not begun at the time of developing this RAP. The draft expropriation proposal, listing all affected properties and their registered owners, was prepared in November 2021 and a total of 163 expropriation cases were formed (grouping of land plots belonging to the same owners where possible). In addition, geosurveyors (land surveyors) carried out preliminary site visits to stake the land plots and determine the presence of structures. The process of organising expropriation hearings with the owners has not started yet. The work carried out so far was done by teams from the property administration in Modriča, which is administratively in charge of the territory of the municipality Vukosavlje. However, at the time of developing this RAP, the plan of the Republic Administration for Geodetic and Property Affairs is to engage teams from Bjeljina municipality to carry out expropriation, as is being done in Doboj. The Bjeljina teams are already actively carrying out expropriation on the territory of Vukosavlje, for the construction of the motorway to connect Republika Srpska with Serbia (Vukosavlje – Brčko – Bjeljina – border with Serbia).

A total of 218 plots of land (198 privately owned) amounting to 34 ha (32,55 ha privately owned) and two residential structures, each with accompanying outbuildings will need to be acquired. This means that the average size of an affected land plot is very small (1.666 m² or 0,17 ha). Reviewing the draft expropriation proposal, it can be concluded that only two affected land plots are just above 1 ha in size and more than half of the affected land plots are smaller than 900 m² (0,09 ha).

Table 13 Affected land plots by size, in Vukosavlje

Size	More than 1 ha	0,6 to 1 ha	0,1 to 0,5 ha	0,09 ha and less
Number of plots	2	8	82	106

A total of 170 individual owners of land are expected to be affected (32% of whom are women) and no legal entities will be affected. On average a land plot is owned by 1,2 individuals. As can be seen from the table below, the vast majority of plots (88%) are in fact owned by one person.

Table 14 Affected land plots by number of owners, in Vukosavlje

No. of owners	1 owner	2 owners	3 owners	4 or more owners
Number of plots	174	12	5	7

Table 15 below shows that the land is largely arable land, as registered in the Cadastre, followed by very little forest land and some pastures and unused land.

Table 15 Registered land use of affected land plots, in Vukosavlje

	Total affected land	Arable land	Orchard	Forest land	Pastures, meadows	Garden, courtyard	Road, canal, unused land	River
In ha	33	29	0,1	1,95	0,9	0,17	1,1	0,07
%	100%	87%	0%	6%	3%	1%	3%	0%

Both affected properties are located in the village Srnava, in the most northern part of the Project footprint. The properties are located on two sides of a local road being crossed by the future motorway, one across from the other. Aerial and site visit photographs are provided below.

The first property comprises one residential structure, one dilapidated structure which may have been used as a barn or storage and one garage. According to the geosurveyors and local employees of the property administration, the owner of this house passed away and to their knowledge, the heir (the daughter of the owner) lives in Modriča town. The house does not appear to be in use, at least not in regular use. Formally, the property is registered to one male owner and the two structures have a size of 60 m². Another 5 plots of land affected by land acquisition are registered in the name of the same owner and they amount to approx. 1 ha of land.





Figure 4: Residential property to be acquired in Vukosavlje (1)

The second property comprises of what appear to be two structures, regularly used for residence. To the knowledge of local people, one household resides in this property. Formally, the property is owned by three female owners and it appears that only the largest residential structure (yellow in photo) is a registered structure with a total size of 73 m². These three owners do not own any other land affected by the Project.



Figure 5: Residential property to be acquired in Vukosavlje (2)

Analysing all of the data presented above, potential losses and impacts are presented in Table 16 below.

The number of affected owners is based only on the number of registered owners, while it is clear from different sources that a lot of the land is not used by the owners. The number of users of land cannot be determined at the time of developing this RAP and will be an action point to determine and record, as part of its implementation.

Table 16 Expected losses and Project impacts

Type of potential loss / impact	Affected area / number	Comments
Permanent loss of agricultural land (arable, forest, pasture/meadow, garden and orchard)	32 ha 167 owners	Overall, affected land plots are very small in size (only 2 larger than 1 ha and an additional 8 plots larger than 0,6 ha)
Loss of annual crops (arable land)	29,9 ha 159 owners	The presented area which will be affected is the worst case scenario, as if all land is being farmed and none of the crops are harvested before the land is accessed, which is unlikely to happen.
Loss of perennial crops (forest land, orchard and garden land)	2,2 ha 29 owners	In terms of loss of perennial crops, this is also the worst case scenario, assuming that there are perennial plants or trees to be compensated, on all forest and garden land, as well as in the case of the one affected orchard, which is also not very likely.
Loss of sources of livelihood associated with either of the above losses (economic displacement)	Unknown at present	As discussed throughout the document, if compensation is provided at or above full replacement cost, it is likely that any impacts on livelihoods can easily be mitigated, as other land can be bought in the area. The category whose livelihoods could be

Type of potential loss / impact	Affected area / number	Comments
		impacted are more likely any users of land, if they lose access to a significant amount of land and they do not have options to use other land in the area. This impact can be exacerbated if it is combined with any additional vulnerability (e.g. people who have no land of their own or any other source of livelihood).
		One of the households which will be physically displaced owns an additional 1 ha of land that will be acquired for the Project, while the other does not. However, both households may own additional land in the area that is not planned to be acquired for the Project, and which will have to be acquired as well, if the owners request it (if they move further away, they will not have any interest in keeping the land).
Loss of residential structures	2 households 3 residential structures	Based on feedback from the field, one house is permanently inhabited, while the other is not, as the owner passed away and the heirs are not living there. One household appears to be using two residential structures (this may be what is locally called a 'summer kitchen' built as an addendum to the house).
Loss of non-residential structures (physical displacement)	2 households 3 non residential structures (2 belonging to the same household)	One of the residential properties includes dilapidated structure, which could have been used as storage or a barn, and one garage. The other residential property has one additional shed.

Apart from impacts listed above, it is important to highlight an aspect of the Project which could have an impact on the wider population in the affected area and concerns land use and particularly agriculture. Namely, the construction of the motorway, which cuts across agricultural areas, could cause difficulties for local farmers to access their land in the short term (during construction) as well as permanently. These impacts must be mitigated by ensuring that farmers always have ways to access their land during construction, i.e. the creation of alterative access roads where necessary, as well as ensuring that there are permanent access routes, with underpasses and overpasses, as appropriate, available all along the project footprint.

5.4 Potential Additional Land Acquisition

Land acquisition that is currently ongoing or close to completion in Doboj and Modrlča, as well as planned acquisition in Vukosavlje, is being done based on the project preliminary design.

During the detailed design process, it may be necessary to carry out additional land acquisition. Based on experience from other projects, it may also be necessary to carry out acquisition of land to enable access

for construction or even following completion of construction, if it is determined that certain impacts on people residing along the road cannot be fully mitigated, for example, noise impacts.

As these future potential impacts cannot be determined at the time of developing this RAP, they will be addressed in the future, following the principles presented in this RAP. Depending on the scale of additionally needed land, as well as the identified physical and economic displacement or any other identified impacts, a RAP Annex, or a completely new RAP, to address these impacts will have to be developed. Once the details of additional land acquisition become known, this will be discussed with EIB and a decision on the scope of the document will be agreed.

It is anticipated that, in addition to impacts already determined in the previous section, the only other type of potential impact, which could occur as a result of any future land acquisition, is:

• Loss of unregistered residential and/or non residential structures, which would not qualify for legalisation and would thus not be eligible for compensation under RS legislation.

In addition to land that may be permanently acquired, it can be expected that the Project will also require some temporary land take for construction routes, laydown areas and camps, temporary storage of excavated materials and soil, etc. The details of temporarily needed land are not available, however it can be expected, based on previous experience, that additional temporary land required by the Contractor will be acquired through negotiation and amicable agreements with the land owners and there will be no involuntary displacement.

6 INSTITUTIONAL AND LEGAL FRAMEWORK

6.1 Applicable RS Legislation

The main law regulation acquisition of land and assets in the public interest is the RS Expropriation Law (Official Gazette of the RS 112/06, 37/07, 110/08, 79/15).

The RS Expropriation Law focuses on properties and assets which may be expropriated and restrictions which may be placed on property rights, in the public interest, which is established in accordance with the law.

Following establishment of public interest, an expropriation proposal is submitted by the Beneficiary of Expropriation (the Government of RS, represented by the RS Public Attorney's Office) to the relevant property administration (branch office of the Republic Administration for Geodetic and Property Affairs in the relevant municipality) together with a set of accompanying documents, including proof that funds / replacement properties needed for compensation are deposited in a bank / available.

Owners of affected properties are individually invited to a hearing by the property administration and notified about the submission of the expropriation proposal. If the documentation is in order a decision on expropriation (first degree) is passed by the administrative authority. The affected owners can submit an administrative appeal to the Republic Administration for Geodetic and Property Affairs, which decides in the second degree, after which the decision becomes final. If there is no further (judicial) appeal, the decision also becomes legally binding. However, the affected owner can choose to submit a judicial appeal to the relevant administrative court, after whose ruling, and if confirmed by the court, the decision on expropriation becomes legally binding.

When the decision on expropriation becomes legally binding, another hearing must be held by the administrative authority to discuss and determine the level of compensation for each affected owner. In case an agreement on the level of compensation is not reached, the case is referred to the courts to decide. The Beneficiary of Expropriation proceeds with the payment of compensation or provision of replacement properties.

In 2018 a special law was passed to regulate land acquisition specifically for two main highway projects in the country. The name of this law is the Law on the Special Procedure of Expropriation for the Construction of the Motorway Corridor VC through the RS and the Construction of the Motorway Section "9th January "Banja Luka – Doboj (Official Gazette of the RS 61/18, 42/20) and its main aim was to accelerate the land

acquisition process. One of the key provisions of the law is that public interest is declared for the construction of the motorway, as per the relevant planning documents that have been adopted and for any future revisions of the planning documents, adopted in line with the law.

The amendments to the law from April 2020, prescribe that if an affected owner is prevented from physically participating in the expropriation process as a result of a state of emergency in his/her place of residence and does not respond to the invitation to participate in the expropriation process, or does not appoint a representative, a temporary representative will be appointed to him/her. The law further specifies that in this case, the process has to be fully documented with a report from the certified appraiser (valuation of all affected assets, including photographs) and minutes from the expropriation hearing, signed by witnesses of the process. However, it is important to note that the temporary representative participates only in the processing of the expropriation decision and cannot sign an agreement on the compensation amount, on behalf of the affected owner(s).

Some of the relevant key characteristics of the Expropriation Law are that it:

- Focuses on providing compensation for any affected properties and assets, rather than on addressing further impacts of land acquisition / restrictions on land use, i.e. physical and economic displacement. The law indirectly covers physical and economic displacement, but only for affected people who have formal legal rights or rights / claims that are recognisable under national law.
- Encourages amicable agreements on expropriation and compensation.
- Requires the provision of compensation which is determined in accordance with the prevailing market price of the affected property/asset.
- Allows for compensation of structures built informally (without a valid permit) to be compensated if at the time when they were constructed they could have been legalised (fulfilled the conditions for legalisation).
- Allows for compensation to be provided for lost benefits which could have been derived from the use of the property (i.e. lost net income) in the transition period i.e. from the day the owner loses access to the expropriated property to the day he/she receives compensation.
- Enables owners whose assets and land are partially acquired, to request expropriation of all the remaining land and assets, if the partial expropriation would negatively affect their economic situation or make the remaining part of the property useless or difficult to use
- Foresees provision of increased cash compensation for persons whose sources of livelihoods are adversely affected, especially if all or most of their agricultural land is affected, if their legal business activity is affected or if the household needs to be physically displaced.
- Enables compensation for land and residential and business structures to be provided in kind, at the request of the affected person.
- Allows for the Beneficiary of Expropriation to acquire the right of accessing the land/property, under certain circumstances, even if compensation has not been executed (e.g. if the affected person addresses the court seeking higher compensation).
- Allows for absentee owners (persons whose whereabouts have not been identified and who could
 not be contacted during the expropriation procedure), to claim all of their rights, including the right
 to compensation, at a later date.
- Provides administrative and judicial remedies for disputing expropriation and the amount of compensation provided for affected assets.

Further solutions for addressing physical and economic displacement can be sought through cooperation with various government and non-government service providers, such as municipal Centres for Social Welfare which can provide assistance to vulnerable people, under relevant social welfare laws or the RS Employment Institute, which can provide affected people with assistance for employment and training, with the aim of livelihood restoration.

6.2 Applicable EIB Requirements

As the Project is being considered for financing by the EIB, land acquisition has to be planned and implemented in compliance with the EIB Environmental and Social Handbook (2013), particularly Standard No. 6 on Involuntary Resettlement.

The EIB requirements, applicable for this project, are:

- to avoid or, at least minimise permanent or temporary physical or economic displacement caused by
 project related land acquisition, whenever feasible, by exploring alternative project designs; where
 displacement is unavoidable, appropriate compensation, resettlement and livelihood restoration action
 plans should be developed and implemented;
- to mitigate adverse social and economic impacts from land acquisition or restrictions on all affected
 persons' use of and access to land, physical assets or natural resources regardless of the character of
 existing land tenure arrangements (including title holders and those without title) by:
 - (i) providing compensation for loss of assets at full replacement cost⁶, prior to taking possession of acquired assets; and
 - (ii) ensuring that compensation, resettlement and livelihood restoration activities are planned and implemented with appropriate disclosure of information, consultation, and the informed participation of those affected;
- to improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of all displaced persons, including those who have no legally recognisable rights or claims to the land (present in the project affected area at the time of the cut off date), to levels existing prior to the project;
- to make special provisions for assisting disadvantaged or vulnerable individuals or groups (present in the project affected area at the time of the cut off date) that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood assistance and related development benefits;
- to establish a grievance mechanism to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons, including a recourse mechanism designed to resolve disputes in an impartial manner.
- to monitor the land acquisition, resettlement and livelihood restoration process.

The above list is only a summary of the main requirements and is qualified by reference to the full text of the applicable EIB policy - Environmental and Social Handbook (http://www.eib.org/attachments/strategies/environmental and social practices handbook en.pdf).

6.3 Key Gaps to be Addressed Through the RAP

A table comparing EIB requirements and provisions of RS laws is provided as Annex 1 to this RAP. This section highlights the key gaps between the two which will be addressed through the implementation of the RAP.

Informal land users

There are no legal requirements obligating the property administration to identify and address informal land use.

Analysing national legislation and local practices, it can be determined that informal land users have the right of participating in expropriation hearings and claiming their rights to compensation for any affected crops or trees that they planted and farmed. However, there are several factors contributing to this being a rare occurrence in the affected area. Informal land use occurs most often when owners do not have an

⁶ This is usually calculated as the market value of the assets plus the transaction costs related to restoring such assets.

interest in farming the land they own themselves and in such cases, allow one of the local people who are actively farming, to use their land too, most often without any financial gain, and only for the benefit of maintaining the land (preventing weeds, shrubs and bushes from growing). These agreements are often verbal informal agreements and in such cases, users plant annual crops, rather than any fruit trees or perennial cops. As the land acquisition process often lasts a long time and construction is often delayed, annual crops are harvested and therefore not compensated. If not, users would be able to claim their rights to compensation, but with the burden of proving that they own the crops, if the owners who gave them permission did not confirm this, or if the owners did not know about the land use (the owners were unaware that someone else is using their land).

Connected to this issue is the issue of identification of informal land users (to include them in a census). In practice, if cases of informal land use do occur, they can be identified when the geosurveyors visit the project footprint to carry out the construction stakeout surveys of land and record what it is being used for, either through discussions with the owners or with other people using land nearby. Generally, informal land use, without the knowledge of the owner, is extremely rare.

Vulnerable individuals or households

Similarly to the above, there are no legal obligations for the property administration to assess the vulnerability of affected people, however, in practice, this is often done during expropriation hearings. In these hearings, owners (and interested third parties) have the opportunity to state any specific circumstances which need to be taken into account during expropriation. In practice, at these hearings, affected people often inform the property administration representatives if the land is extremely important for their livelihoods, if they have difficulties understanding the process and what they need to do (administrative tasks that they need to complete), if they do not have a bank account and need help opening one, if there are any disputes with other people regarding the land, if they have difficulties to attend the hearings, etc.

Informal structures

National legislation specifies that only structures which could be subject to legalisation (fulfil the conditions for legalisation) at the time when they were constructed, are to be compensated, while the owners of structures not fulfilling these requirements would not be entitled to compensation. In practice, all affected structures are often appraised and compensated at full replacement cost, however, this is done at the discretion of the certified appraiser and the representative of the property administration.

Depreciation of assets

When appraisers calculate the value of affected structures, they include depreciation in the calculation and reduce the proposed compensation amount accordingly.

Severance impacts

There is no firm legal requirement for consulting affected people and communities about the locations of overpasses and underpasses to be able to cross the motorway and access their land on the other side of it, both during construction and operation. National legislation requires that all official roads must remain unaffected by the motorway (there has to be an underpass or overpass enabling the road to cross the motorway), however it does not have any requirements for uncategorised roads or agricultural access tracks. Because of this, what may happen both during construction and even more so, during operation, is that some land users have to travel greater distances to be able to cross the motorway to access their land on the other side of it, leading to economic losses over time.

7 AUDIT OF COMPLETED LAND ACQUISITION

7.1 Methodology and Stakeholder Engagement

The consultant team assisting ARS to develop this RAP, held a number of meetings with various stakeholders to determine the current status of land acquisition for the Project, as well as to understand the gaps between the expropriation being implemented and EIB requirements, and particularly to hear the

views of affected people, both those whose land has already been acquired as well as those who may be affected by expropriation in the future.

The first meetings were held in August 2021 in all three municipalities. The consultants met with representatives of each municipality, including Deputy Mayors and representatives of planning departments, who were acquainted with the Project planning documents. The main conclusion from these meetings was that a long time had passed since previous consultation meetings regarding the Project were held, and people living in villages were not acquainted with the details of it, including particularly the locations of the interchanges, overpasses and underpasses along the motorway. In addition, the consultants met with the property administration in Modriča, which, at that time was carrying out expropriation in this municipality. In Vukosavlje, expropriation had not yet started, while in Doboj, it had just begun and representatives of the relevant property administration were not available for a meeting.

Together with ARS, a decision was made to organise community meetings with residents of villages located along the Project footprint and, at the same time, carry out an audit of land acquisition which was completed or in progress. In November 2021, ARS with support from the consultant team, prepared a presentation of the Project footprint and shared it with representatives of all three municipalities, following which online meetings were held with them to discuss the logistics of community meetings. The community meetings were organised in each of the three municipalities mid November 2021 and residents of local communities were informed about them and invited to participate. The details of these meetings are presented in the Project Stakeholder Engagement Plan, as well as the topics which were of interest for local people. The RAP only focuses on land acquisition related questions which were asked at the meetings.

During the same week, the consultant team also met with representatives of the property administrations in Doboj and in Modriča, which is also formally in charge of land acquisition for land territorially belonging to Vukosavlje municipality. They collected information on the process of land acquisition and current status. In addition, the team met with affected people whose land was already acquired in Modriča (7 owners of affected land plots), one president of a local community council who is working on finding landowners who have left the project area (for the other motorway project in Modriča) and 4 landowners whose land is currently in the process of being expropriated, in villages belonging to Doboj municipality (see Annex 2 for interview minutes and photos). In Modriča, the people who were interviewed were contacted with assistance from representatives of the property administration, while in Doboj, the consultant team enquired about local residents whose land was being expropriated for the Project in a village shop and post office (Majevac) and went to visit and speak to these people directly, in their homes. In Vukosavlje, the consultant team did not meet with any directly affected people, as the expropriation process has still not begun, however the team went to see the two properties which are likely to be affected by the Project.

After completing the site visits and meetings, the consultant team reviewed all of the collected data and searched for additional relevant data online. This pertains particularly to a review of property sales advertisements in the affected areas and the average asking price for land on the market.

7.2 Key Audit Findings

Information collected through the above listed activities has been fully incorporated in this RAP and is included in various sections, as applicable.

Some of the key findings from the audit of land acquisition carried out in the affected areas are:

- No residential structures have been affected by land acquisition in Modriča and Doboj. A few non-residential structures were planned for acquisition, however these are mostly fences or supporting walls of properties and in some cases, upon requests of the owners, they were not acquired (e.g. if a fence will be in the way of widening an access road by a small area and the cost of re-building the fence is higher than the benefit of widening that road). In Vukosavlje, two residential structures (and accompanying outbuildings) are planned for acquisition and according to local people only one of them is permanently inhabited.
- Compensation rates which are being offered by the property administration, are significantly above replacement cost, allowing owners to purchase new land to be able to continue with their agricultural activities (if they wish) and to cover any associated costs. The property administration is authorised to

offer compensation for land in the range from 3 to 5 BAM per m², however in practice, all owners are offered the highest price of 5 BAM per m², which was confirmed through interviews with affected people, who all said they were offered 5 BAM per m². Based on a review of available online property sales advertisements, carried out by the consultants, land in the affected areas can be bought at prices ranging from 1,8 BAM per m² to 2,57 BAM per m². The most relevant advertisement is one where the seller is willing to sell 33,000 m² (3,3 ha) of agricultural land located near the regional road Doboj to Modriča (M-17), for 60.000 BAM (1,82 BAM per m²). It should also be noted that this is the asking price on the website advertisement, which may also be negotiated down. The more expensive land plots (2 to 2,5 BAM per m²) are mostly located in built up (residential) areas and although they may be formally registered as agricultural land, they have access roads and other features which would make them suitable for construction, explaining the higher price, which is still 50% lower than the compensation rate being offered for affected land through expropriation. Example advertisements found on the internet are provided as Annex 3 to this RAP.

- In Doboj, more land owners are opting to go to court to request higher compensation and, according to property administration representatives, this may be attributed to several factors. During previous expropriations the courts awarded higher compensation amounts (8 BAM per m²) than what was originally proposed by the property administration (5 BAM per m²) and the local population is aware of this, while in the other two municipalities there has been no previous similar expropriation or experience that people can draw on. In addition, the network of lawyers offering their services to affected land owners in Doboj is more developed than in the other two municipalities (also because of previous expropriation experience). Finally, the cost of living in Doboj is higher than in the other two municipalities and the expectations of people with regard to compensation are higher. In Modriča, according to representatives of the property administration, the majority of people who opted to request higher compensation from the court, are those who had land on the territory of FBiH which was expropriated for the motorway, for which the average compensation price was also higher (approx. 8 BAM per m²). The property administration from Modriča also expects that the same situation may happen in Vukosavlje, where some of the land owners already had land which was expropriated for the motorway on the territory of FBiH, and will be expecting the same compensation rates which they received there. At the community meeting in Vukosavlje, one of the participants who believes that his land will be affected commented that he expects the same compensation rate to be used for the whole motorway, regardless of the municipality it passes through.
- At the community meetings and during individual interviews, many people were interested if there would be more expropriation, hoping that (more of) their land will be affected. This also signifies that the compensation rates being provided are seen as acceptable, if not favourable.
- Participants of community meetings also enquired about ways they would be able to cross the motorway to access their land for use and were concerned about how much farther they would have to travel to do that. Some pointed out that this pertains to access to land even during construction.
- As per the law, all owners may request the purchase of the remaining part of their plot (or even other land that they own), if they believe it will be unusable following acquisition or economically unviable. A significant number of people are choosing to exercise this right. In some instances, when clearly the remaining part of the plot is very small and unusable, the whole plot is acquired. In instances where the situation is not completely clear based on geosurveyor reports and information available to property administrations, a certified appraiser will visit the field to determine whether the remaining part of the plot is economically viable (looking at the amount and type of land remaining, access to land, etc.) and if not, it will be expropriated under the same conditions as the affected area of the plot, in a separate procedure.
- Landowners have the possibility (time) to harvest all of their crops and they had no losses in that
 regard; they may continue to use the land further, even after receiving compensation, which provides
 them with a transitional period in which they can purchase new land and prepare it for farming before
 losing access to the acquired land. If they were not able to harvest their crops, as per the law they
 would be entitled to compensation for all affected crops, based on findings of certified appraisers.
 However, this is rarely the case, as land acquisition almost always happens significantly before the
 beginning of construction.
- Only one of the interviewed land owners stated that he is considering purchasing other land with the compensation he received, however, he was not using even the land that was acquired, but instead

- allowed his neighbours to use it, to keep it from deteriorating. All other interviewed owners stated that they have other land that they farm or other income sources and most of them are not interested in continuing with more agriculture. Only one interviewed household's income is land based, however they stated that they have more land which they farm, in other locations.
- Property administrations actively search for affected owners of land, even those who no longer live in the affected areas and they use all available means, including cooperation with the police (registries of residents) as well as presidents of local community councils or other community members who search for owners who have moved to other parts of the country or abroad. Temporary representatives who are assigned to affected people, if they cannot be found, are lawyers. During the audit, the consultants met with a community council president who was assisting the property administration to find former residents of his village, predominantly inhabited by Croats before the war. Although this was in relation to another motorway project through Modriča (Vukosavlje Brčko Bijeljina border with Serbia), the same methods will be used for this RAP if needed.
- Property administrations are assisting people with any needed legal advice, in the process of
 registering their ownership in the Cadastre and providing advice and assistance to owners in opening
 bank accounts so that they may receive compensation. There have also been cases when, based on
 an assessed vulnerability of an owner, the property administration proposed compensation above what
 the certified appraisers proposed, as the law allows them to do so. Provision of assistance to affected
 people is more pronounced in the smaller municipality Modriča, than in the City of Doboj, as the sense
 of community, is stronger.
- All interviewed land owners confirmed that the process of expropriation was carried out well and those
 who received payment of compensation stated that it was executed promptly after the agreement was
 signed. They had no objections to any elements of the process.
- Almost all of the interviewed landowners were in possession of the affected land for a long time, as it was passed from one family member to another, for generations. Only one of the interviewed land owners in Modriča, who is seeking higher compensation in court, stated that he bought the land years ago and at that time paid more for the land when he acquired it on the market than what is being proposed as compensation, based on appraiser findings. He did not convert this land from agricultural land (as it is still registered in the Cadastre) to construction land, as it is actually being used.

8 COMPENSATION AND ASSISTANCE FRAMEWORK

8.1 Key Principles for Land Acquisition

The principles guiding any current or future land acquisition for the Project, agreed by ARS as the key responsible entity, are as follows:

- If any changes in the project design are considered at a later stage, which will require additional land acquisition (currently unknown), alternatives will be explored to avoid or at least minimise physical and economic displacement. Depending on the scale of additional land acquisition and the expected impacts, a new RAP or a RAP Annex will be prepared to address these impacts, as agreed with EIB;
- Meetings will be held in local communities along the Project footprint in the final design stage, to
 clearly present all planned underpasses and overpasses, hear the views of local residents in
 relation to access to their land and make changes if possible, to accommodate their needs. Before
 the start of construction, the same process will be organised to ensure that people have
 information about how and where they can access their land on the other side of the motorway
 (construction site) and the contact details of the contractor for any grievances;
- All available measures to identify owners and users of affected land and contact them will be undertaken, and only in exceptional cases where such measures did not yield results, temporary representatives will be appointed for them in the expropriation process;

- Informal land users, including any vulnerable people, affected by land acquisition will be identified and will be assisted based on their specific needs, discussed with them during expropriation hearings;
- Compensation for any affected assets will be provided at full replacement cost, regardless of whether they are formally registered or not;
- In case of physical displacement, compensation will be provided prior to taking possession of
 acquired assets; in cases of acquisition of only land, compensation will be provided prior to land
 entry, as a rule, while the only exception may be if the affected owner cannot be identified,
 contacted or is seeking higher compensation from the court;
- In case of any planned forced evictions, ARS will notify EIB in advance of these being carried out, with a justification for why they are needed and a description of how they will be carried out.
 Forced evictions will not be implemented prior to EIB's review and acceptance.
- All compensation and assistance will be provided equally to men and women;
- A grievance mechanism will be implemented through which all affected people can submit their complaints and grievances in relation to compensation and resettlement and expect a timely answer:
- Monitoring of all compensation, resettlement and livelihood restoration activities will be regularly carried out.

8.2 Eligibility for Compensation and Assistance

All individuals / households owning or using project affected land, at the time of site visits carried out by geosurveyors from the property administration (cut off date) are entitled to compensation and/or assistance as outlined in the Entitlements Matrix (Table 17). These individuals can be divided into several groups, as presented further.

Persons with formal legal rights and with rights which are recognisable under national law (owners and formal users)

Persons with formal legal rights are recorded in the Cadastre and/or Land books and this information will be updated in accordance with national legislation when the expropriation process begins, by the property administration. Persons with a claim that is recognised or recognisable under national legislation are invited to the expropriation hearing and the Cadastre is appropriately updated. In cases of disputes, affected people can turn to the courts for their resolution, which has to be processed prior to the passing of the expropriation decision. Examples of persons with a claim that is recognised or recognisable under national legislation include heirs of deceased owners, persons who purchased properties with a valid sale purchase contract however did not transfer property rights to their name in the Cadastre, formal users of land and assets (lessees) and similar.

It should be noted that there are a significant number of owners of affected land who are not actually using the land and have no significant benefit from the land, in terms of livelihood or income. As presented in earlier sections, the land may be used by only one of the owners (e.g. although the land is owned by several siblings, the one who remained living in the area continues to use it for agriculture) or by someone else with permission from the owners (e.g. a neighbour who is already farming the land in the area) and in such cases, owners are compensated for the loss of the ownership of the land, but their livelihoods are unaffected.

A list of registered owners of affected land for the Vukosavlje section of the motorway is provided as Annex 4 to this RAP.

Persons with no formal legal rights to the land they use, at the time of the geosurveyors site visits (informal users)

Persons with no legal rights or claims to the land they occupy (informal users) will be identified, primarily during geosurveyor field visits and/or at expropriation hearings. The date of the field visit will be the cut off

date, meaning that any individuals / households that use/occupy Project affected land (without legal rights or claims) after this date will not be entitled to compensation and/or livelihood restoration assistance. Examples of persons with no legal rights or claims include persons who have constructed houses on public land or those who are farming public land or even private land, without the knowledge and/or approval of the owner. Such persons will not be entitled to compensation for land, as they do not own it, however they will be entitled to compensation of assets which they do own for example, the construction value of structures, or crops and trees they have planted, etc.

Vulnerable groups

Some individuals or groups are considered more vulnerable than other members of the affected population and, if affected by the Project, will require the implementation of special livelihood restoration and/or assistance measures. Such groups might include:

- informal users of affected land who have no sources of income or assets of their own
- owners of informal residential structures (built without construction permits), with no other property or place of residence
- persons who depend on the affected land for incomes/livelihoods and it is the only land they own or use
- elderly single headed households, single parent households, households with multiple members, etc. who have to be physically re-located
- persons who will be affected by physical and/or economic displacement, whose socio economic status is low, for example beneficiaries of social welfare
- illiterate persons who may have difficulties accessing information about the Project and land acquisition or understanding contracts and other important documents, etc.

Vulnerability will be explored at expropriation hearings and in consultation with ARS, assistance measures will be defined, implemented and recorded.

8.3 Entitlements Matrix

Different categories of affected people have different entitlements, which are presented in the Entitlement Matrix below. For each type of loss, the entitlements of various categories are separately presented. The number of cases is based on information that is available for currently planned land acquisition, however, as presented earlier, there may be additional land acquisition in later stages of the Project and the exact numbers of cases are unknown. Nevertheless, all future land acquisition will be addressed using the principles presented in this table, which may be further refined in a new RAP or a RAP Annex, addressing additional land acquisition.

Table 17 Entitlements Matrix

Type of potential loss / impact	Category of affected person	Number of cases	Entitlements
Permanent loss of privately owned (agricultural, residential, commercial or any other) land	Owner of land	167 owners identified to date	Cash compensation for land at full replacement cost (any identified economically unviable - orphan land, will also be acquired, if requested by the owner and determined by certified appraisers) OR Replacement land of an equal or better size and quality

Type of potential loss / impact	Category of affected person	Number of cases	Entitlements
	Formal user of land (renting land)	To be identified	No compensation for land Information about the acquisition of the land at least six months in advance of land entry
	Informal user of land	To be identified	No compensation for land Information about the acquisition of the land at least six months in advance of land entry
Loss of annual crops (arable land)	Owner of crops (can be the owner of the land or the formal or informal user of the land)	To be identified Estimated 159 owners of arable land	The right to harvest crops OR Cash compensation for lost annual crops, at full replacement cost, as determined by certified appraisers
Loss of perennial crops (forest land, orchard and garden land)	Owner of plants, trees (can be the owner of the land or the formal or informal user of the land)	2,2 ha Estimated 29 owners of arable land	The right to harvest crops and fruit, and cut down trees OR Cash compensation for lost perennial yields and trees, at full replacement cost, as determined by certified appraisers
Loss of sources of livelihood associated with either of the above losses (economic displacement)	All categories of affected persons	To be identified	Individually tailored livelihood restoration assistance (e.g. assistance to access employment on the Project or any employment provided in the municipality, assistance to access other land for use, assistance to access available agricultural programmes, etc.)
Permanent loss of formal (legal) or informal residential structure	Owner of structure and members of his/her household	2 households 3 residential structures	Cash compensation for the residential structure at full replacement cost, determined by certified appraisers OR

Type of potential loss / impact	Category of affected person	Number of cases	Entitlements
			Replacement structure corresponding in size and quality to the lost living space
			AND Moving assistance or allowance
Permanent loss of formal (legal) or informal non residential structure (shed, garage, business premises, etc.)	Owner of the structure	4 owners 3 structures	Cash compensation for the affected structure, at full replacement cost, determined by certified appraisers
Any other losses / impacts on vulnerable people, associated with land acquisition for the Project	Vulnerable individuals/households	To be identified	Individually tailored assistance (assistance in obtaining needed documents, assistance to understand rights in the expropriation procedure, to open a bank account, assistance to access social assistance programmes provided by the municipality, etc.)

In addition to the impacts presented in the matrix, the Project may also cause severance between communities and agricultural land being farmed by community members, both during construction and operation. Although this impact concerns livelihoods, it will be addressed through consultations with local communities, as described in the Project Stakeholder Engagement Plan. The obligation of ARS and the Contractor to ensure that these activities are carried out is also included in the Project Environmental and Social Action Plan.

8.4 Description of Entitlements

Depending on the type of loss/impact and the category of affected person (owner, formal and informal user), he/she will be entitled to cash compensation and / or assistance.

It should be noted that under national legislation, replacement land can also be provided upon request of the affected person. However, as the amount of land that is being acquired from any one individual / household is small, and that there is land available for purchase on the market, in the Project area, it is assumed that this option will not be widely used by affected people. Nevertheless, it is available and can be provided, as required under national legislation and the EIB policy.

The following section provides more details on each type of entitlement.

8.4.1 Cash Compensation for Affected Land and Assets

Appraisal of properties will be conducted by certified appraisers and it will be carried out for both formal (registered) and informal assets.

Cash compensation will be provided at full replacement cost, meaning that affected owners of the assets will receive enough compensation to purchase a replacement asset and cover any associated costs or cover any losses they may have endured.

Replacement cost of land will be equal to or exceed the market value of land with similar characteristics, in the vicinity of the affected land, plus any transaction costs. Based on preliminary information made available to the property administration, the expected compensation price for land in Vukosavlje will be between 4,1 and 4,6 BAM per m². As demonstrated in Section 7.2, these compensation rates are above market value and affected people will be able to replace their affected land, if they wish, and cover any associated costs.

All affected owners of annual crops are entitled to harvest them, as well as to collect fruit and cut down trees, before land is used for construction. If this is not possible, all associated losses will be compensated at full replacement cost.

Appraisal of crops, plants and trees will take into account various important features, such as their age and productivity, or the resources and amount of time that would be needed to grow a new tree/plant, as defined by the Expropriation Law.

Replacement cost of formal structures, registered in the Cadastre, will correspond to the market value of structures with similar characteristics, in the affected area, plus any transaction costs. Replacement cost of informal residential (built without construction permits and not registered in the Cadastre) as well as non residential structures, will be calculated as the cost of rebuilding a structure of similar characteristics in another location, including materials, costs of labour and any transaction costs (i.e. the construction value of structures) and the compensation amount will not be reduced on account of depreciation. The compensation amount will also be sufficient to cover the costs of moving furniture and personal belongings to another location.

8.4.2 Assistance Measures

As presented in earlier sections of the RAP, it is expected that with the appropriate compensation for affected assets, there will be no livelihood losses for affected people. However, if such cases do occur, they will be explored during expropriation hearings and discussed among all participants, to determine the best way to assist affected individuals. Assistance to restore livelihoods are numerous and may include assistance to access agricultural programmes to enhance agricultural production, gain access to available agricultural land for use, assistance to access training or skills development programmes, assistance for employment on the Project or through any employment measures offered by the RS Employment Institute branch office in the municipality. An action plan for any encountered case will be developed, with clear responsibilities and its implementation and outcomes will be monitored by ARS, as described in Section 11 of this RAP.

Similarly to the above, the participants of expropriation hearings will also determine if a particular affected person and his/her household are in any way vulnerable and will be impacted to a higher degree by land acquisition, and will prepare a plan of action to assist him/her (and members of his/her household, if applicable). Assistance could include any of the livelihood restoration measures already mentioned, but also any assistance to resettle (in case of physical displacement), legal aid, assistance to obtain personal documents, assistance to access social welfare or health services, etc. Any agreed measures will be monitored and reported on by ARS.

9 IMPLEMENTATION OF LAND ACQUISITION AND ORGANISATIONAL ARRANGEMENTS

The development and implementation of this RAP is the responsibility of ARS. However, many of the activities within the process of land acquisition are performed by various other institutions and organisations, and it will be ARS's responsibility to ensure they are adequately informed and that they participate in the process as presented in the RAP. ARS will also have the overall responsibility for monitoring the implementation of the RAP and reporting to EIB.

The first activity which will be implemented by ARS will be the approval and adoption of the RAP, following which it will be published on the company website (https://autoputevirs.com/en/) and distributed in hard

copy, in the local language, to representatives of all three municipalities, as well as to presidents of local community councils in all villages located along the motorway.

To be able to carry out all of the listed activities, it is important for ARS to appoint one employee (or hire external support) who will ensure that the RAP is implemented (RAP Manager) and to allocate resources for this task, including costs associated with increased field work (vehicles, fuel) and communication with affected people and all other stakeholders. The RAP Manager will be in charge of recording of data, data management, monitoring and reporting in compliance with EIB requirements.

Before the expropriation process begins and hearings are scheduled, the RAP Manager will organise meetings with the property administration, to highlight the relevant requirements from the RAP and agree how they will be implemented.

Geosurveyors going to the field to assess land use will pay particular attention to determining who is using the affected land, i.e. is it the owner or someone else (i.e. user) and will record this information. Very often geosurveyors obtain this information from users of nearby land or other people from the local villages. If an informal user is occupying the land, the geosurveyors will make best efforts to obtain contact details of the informal user.

At the expropriation hearings, property administration teams will discuss several issues with the registered land owners, as follows:

- Is the affected land being used by someone other than the owner and under what circumstances (with
 the owner's knowledge or permission or informally) and contact details of the users. The user may also
 participate in the hearing, if he/she wants to put forward any claim, for example, a claim for
 compensation of any losses that the user will have stemming from unharvested crops, fruit, or
 investments made into the land.
- Is anyone's (owner's or user's) livelihood severely affected by the loss of land, for example if the land area that is affected is large enough to create significant losses, if the affected land is the only land that the affected person has or any other circumstances that will lead to severe livelihood losses. Potential solutions for mitigating these losses will also be discussed.
- Is the owner (or non owner user) vulnerable in any way and will the loss of land cause more severe impacts for him/her than non vulnerable people, as well as potential solutions for mitigating these impacts.
- Any other issues of significance for ensuring that land acquisition is carried out in accordance with the provisions of this RAP.

The property administration will record data on any of the above issues and will present them to ARS at regular coordination meetings.

Coordination meetings will be held several times per month, depending on the speed at which hearings are held and as agreed between ARS and the property administration. At the meetings, the property administration will update ARS on the expropriation process and will present any cases where livelihoods of affected people are severely impacted by the land acquisition or any vulnerability and potential assistance that may be needed. Following that, the team will define a brief action plan to assist the identified individual / household and will ensure it is implemented. ARS will directly contact any service providers who can be involved in assisting affected people in the municipality or elsewhere and will agree actions that need to be undertaken, as well as ensure that all necessary contacts are made between them and the affected people.

ARS will continue to follow up with the affected person and any involved institutions until the actions have been implemented and to determine the outcome, i.e. if the livelihood restoration or other measure has assisted the affected person and how. Information will be included in land acquisition reports.

10 GRIEVANCE MANAGEMENT

ARS and the contractors will accept all queries, comments and complaints associated with the Project related land acquisition.

Affected people can submit comments, complaints and/or requests for information in person or via post, telephone or email using the following contact information:

Name: Jasna Dragojević

Title: RAP Manager

Company: Autoputevi Republike Srpske email: jdragojevic@autoputevirs.com

Phone number: +387 51 233 670

Address: Vase Pelagića 10, 78000 Banja Luka

All grievances will be registered in a grievance log (see Annex 5) and acknowledged within 7 days and responded to within 30 days. For complex grievances, more time is sometimes needed, in which case the ARS Rap Manager will inform the person that submitted the grievance (within those 30 days) of the expected time frame for the response.

The RAP Manager collects and records all grievances. Grievances are processed by an internal committee within ARS and the RAP Manager then sends a response to the person who submitted the grievance based on the internal decision, including what actions have been (or will be) undertaken to address the grievance. Depending on the type of grievance and the actions required to address it, the RAP Manager may also discuss the grievance with the property administration or other stakeholders, at coordination meetings or in other ways.

Grievances in relation to construction activities will be addressed directly by the construction contractor(s) and their management will be monitored by the RAP Manager. The contact details of persons responsible for grievance management on behalf of the contractor(s) will be distributed to all presidents of local community councils along the motorway, to place on community information boards, before any field activities take place in these locations.

At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of Republika Srpska and BiH.

11 MONITORING, EVALUATION AND REPORTING

11.1 Monitoring and Evaluation

ARS will actively monitor the implementation of the RAP until all displacement impacts have been mitigated.

The key activity which will be implemented by the ARS RAP Manager is organising and attending regular meetings with the property administration to follow up on the progress of land acquisition and record data which will serve for defining any needed actions to reach the outcomes that are consistent with the principles of this RAP. In general, the data that will be recorded will be in the form of a census registry (see Annex 6), which presents all affected land plots and associated information on who owns them, who is using them, what they are being used for, what other assets are located on them and are affected (e.g. structures), the status of acquisition, the date when compensation was executed, any grievances submitted, any additional assistance provided and identified vulnerability of the owner (or non owner user).

In addition to these regular meetings, the ARS RAP Manager will be in contact with any affected people who require assistance, because of livelihood impacts or vulnerability aspects that must be addressed, as well as with service providers who are providing support to the affected person (local centre for social welfare, employment office, training institution, etc.). The RAP Manager will keep a record of all activities using the census registry (Annex 6) and will continue to follow up on all implemented actions until displacement impacts have been mitigated.

The key indicators that will be used to assess progress of land acquisition and whether outcomes consistent with the RAP are being achieved will be:

- % of expropriation decisions completed (from the number of compensation cases)
- % of expropriation decisions processed involving temporary representatives (without the participation of owners)
- % of compensation agreements reached and % of compensation payments executed
- % of cases in which affected people turned to the court requesting higher compensation
- % of cases where affected people requested the acquisition of an additional part of the plot (or other land)
- Description of cases of physical displacement and how they are being addressed, what assistance is being provided
- Number and type of grievances and how they were/are being addressed
- Number of cases where land was being used by someone other than the owner (formal or informal
 user) and description of these cases (who are the users, what arrangements were made for use of
 land, what type of assets belonging to the user were affected, was there a need for compensation
 and if so, how was it executed, etc.)
- Number of cases where the acquisition of the land will severely impact livelihoods and description
 of these cases (how are livelihoods impacted, what actions have been undertaken and outcomes)
- Number of cases involving vulnerable people and a description of these cases (type of vulnerability and how it was addressed, outcomes of provided assistance)
- What additional land (beyond land that is being acquired in line with the preliminary design) is needed and how/when it will be acquired
- Overall spending on compensation, by categories of expenditures (land, structures, assistance, etc.)
- How did affected people use the compensation and were they able to purchase replacement assets
 with it (through interviews with people who have received compensation), particularly for cases of
 physical displacement

11.2 Reporting

As presented earlier, the RAP Manager will maintain the census registry and the grievance log and based on that, using the indicators listed in the previous section, will prepare RAP reports, issued for ARS management on a monthly basis. Information from these reports will be summarised in quarterly reports which will be submitted to EIB for review.

The ARS RAP Manager will document all meetings and consultations with minutes and photographs and will attach these to the reports. All information on individuals / households, their affected assets and their compensation payments will be kept confidential.

A final RAP report will be developed and submitted to EIB when all land acquisition has been completed and all impacts successfully mitigated.

12 RESETTLEMENT BUDGET

There are not enough details to develop a full budget for the RAP, however an estimate for the most significant expected costs, for the planned land acquisition in Vukosavlje municipality, may be provided based on available inputs.

As presented earlier, approx. 32,55 ha of privately owned land are to be acquired for the Vukosavlje section of the motorway. However, it may be assumed that the amount of acquired land will be increased by approx. 20% (6,5 ha), to account for the economically unviable land, bringing the total amount of land acquisition to an estimated 40 ha.

The expected compensation rate per m² for the Vukosavlje section is less than 5 BAM. However, if taking into account the worst case scenario, in which all affected owners turn to the court seeking higher compensation and that the court sets compensation at 8 BAM per m², the total cost of acquisition of land will be below 3.200.000 BAM. Adding another 200.000 BAM for the cost of acquiring residential and non

residential structures and an additional 100.000 BAM for any other associated costs, the total cost of land acquisition can be estimated at 3.500.000 BAM (est. 1.8 million EUR).



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13 IMPLEMENTATION SCHEDULE

Activity	Responsible Party		20	022		2023	2024	2025	2026 - onwards
		Q1	Q2	Q3	Q4		Construction	n	Operation
RAP finalisation									
RAP approval and adoption	ARS	х							
Appointing a RAP Manger	ARS	Х							
Publishing of the RAP on the website and distribution of hard copies	ARS	Х							
Meetings with property administration in Vukosavlje to present RAP obligations and agree coordination mechanisms	ARS, Property administration Vukosavlje	х							
Updating of the Project design, analyses of additional land acquisition, decision on whether a RAP Annex is needed in agreement with EIB	ARS, Contractor, EIB			х	х				
Pre-Construction: Main Acquisition/Expropriation Activities in Vukosav	lje								
Identification of owners and users of affected land, organisation of expropriation hearings, identification of cases where livelihoods may be affected or vulnerable individuals/households, processing expropriation and payment of compensation	Property administration Vukosavlje		X	х	X				
Coordination meetings to discuss expropriation progress, identified affected people in need of additional assistance, agreement on ways to assist them (action plans)	ARS Property administration Vukosavlje		х	х	х				
Implementation of action plans (livelihood restoration and vulnerability assistance)	ARS, service providers in Vukosavlje or Modriča, as applicable			х	х	х	х		
Planned commencement of construction:	ARS, Contractor				Х				
Activities Undertaken Throughout Project Life									
Grievance management	ARS, Contractor	Х	х	х	х	х	x	х	X
Monitoring and reporting	ARS		Х	х	Х	Х	х	х	X

Annex 1 Gap Analyses - Legal Framework for Expropriation and EIB Standard 6 on Involuntary Resettlement

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
Avoidance of involuntary resettlement	Project-induced involuntary resettlement should be avoided by analysing alternative project designs and locations.	According to the RS Law on Spatial Planning and Construction (Official Gazette of RS 40/13), property ownership issues and interests of landowners are to be considered in the development of all planning documents such as spatial plans, urban plans, regulation plans, project designs, etc.	In practice, expropriation is often avoided or minimized during project design, in the context of reducing expropriation costs. The planned route avoids all settlements and thereby will cause limited physical displacement.	Continue following the principle of avoidance with any subsequent land acquisition, during detailed design.
Socio economic assessment and census Preparation of a Resettlement Action Plan	The promoter is required to carry out a census and a socio-economic baseline survey to establish the number of people to be displaced, livelihoods affected, and property to be compensated. The census should include an inventory of losses (assets, access to resources or services, etc.), a detailed measurement survey and valuation of lost assets, and it covers the total affected population. To address the impacts in relation to involuntary resettlement the promoter is required to prepare a resettlement plan or a resettlement policy framework.	In RS ownership or other formal legal rights on land and structures are recorded in property registers (Cadastre and Land registries ⁷). Factual ownership or use of land of those not recorded in property registers can be proven in the expropriation process through sale purchase contracts, inheritance documents, etc. According to the Expropriation Law, an expropriation study i.e. a detailed list of properties to be expropriated, their location, information about individuals who have formal legal rights on these properties, estimated value of affected properties, etc. has to be prepared (Article 16). In addition to the above, the proposal for expropriation also has to be accompanied by extracts from the Cadastre or other public documents (land registries) specifying all rights on the affected properties (Article 25). There is no legal requirement in RS to prepare a RAP or an RPF.	The census does not include informal land users and no socio economic baseline survey has been carried out.	A RAP (this document) has been prepared for the Project and it also serves as a framework for any future land acquisition, for which details are currently unknown. The census and asset inventory will be prepared in accordance with the law (draft census list already prepared as Annex 4). Informal users, if any, will be identified during expropriation hearings and will be compensated for losses if they do not harvest their crops and assisted in case of vulnerability. The socio economic profile of the population in the affected areas has been provided in this RAP.
Cut off date	Cut-off dates determine the eligibility for compensation of project-affected persons. Therefore, they represent the actual date that the project-affected persons' assets and	The Expropriation Law does not explicitly define eligibility to compensation, however it follows the basic legal principle on how properties can be acquired and ownership established as per virtue of law. This in fact means that the Expropriation	There is no publicly disclosed cut-off date based on a census, however, eligibility of both affected people and their assets	Informal land use will be identified through field activities of geosurveyors and if encountered will be

⁷ The Cadastre focuses on information about technical characteristics of the land and structures and the Land Registry records rights on properties (land and structures).

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
	infrastructure at a particular site were recorded during the census survey. Assets like land, structures and others, which are created, encroached or acquired by individuals or groups, after the cut-off dates, will not be eligible for compensation. Issuance of a cut-off date requires the simultaneous clear, public and accessible disclosure of the imminent project activities on the site concerned and their relevant implications for peoples' lives.	Law recognizes the rights (eligibility) of persons who have formal legal rights on land and structures, as registered by the Cadastre and/or Land registries. In addition, those whose rights are recognizable under national laws (factual ownership) can receive compensation if they prove their status with appropriate documents (sale purchase contracts, inheritance documentation, etc.). All issues regarding property rights have to be resolved before the decision on expropriation is passed (Article 28); in case of disputes, the affected parties turn to the court to decide who will receive compensation. The Law does define a cut-off date for the value of affected properties and assets, and it is the date of written notification of the owner (by post) that an expropriation proposal has been submitted, meaning that all investments into properties (other than those needed for their ordinary use) made after this date will not be considered for compensation in the valuation process (Article 56).	is clearly defined by the law and is based on meetings with owners and field investigations.	addressed as per the RAP. Any affected assets recorded by the geosurveyors will be eligible for compensation.
Eligibility criteria	People with formal land title, land use rights, customary or traditional rights to the land as well as those who occupy/use the land but have no formal title for objective reasons are eligible for compensation for land. People who occupy the land but have no formal or informal claim to it, such as squatters, shall be provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives of the resettlement standards laid out in this Standard, if they occupy the project area prior to a cut-off date. Such affected persons shall not be compensated for land but for their land improvements or structures, such as houses and/or small businesses, and may qualify for other resettlement and rehabilitation assistance. Resettlement assistance can consist of land, cash, jobs, or other forms of assistance determined in consultation with affected people and acceptable to the promoter.	The Expropriation Law does not explicitly define categories of displaced persons, however it recognizes persons who have formal legal rights on land and structures, as registered by the Cadastre and/or Land registries and those whose rights and claims are recognizable under national laws i.e. can be determined based on sale-purchase contracts, inheritance documents, etc. In RS, the rights of formal tenants to compensation for early termination of lease are regulated through rental contracts.	In the affected area, there is informal land use, in the sense of people using land with no formal, written contract, but based on a verbal agreement with the owner. Such users are entitled to participate in expropriation hearings (as interested third parties) and can claim compensation for their losses (if they do not harvest their crops before land take). The only category of land users, who are not covered under national laws would be individuals using land without the knowledge / approval of owners of land. The likelihood of this occurring is low, but possible.	Informal land use will be identified through field activities of geosurveyors and if encountered will be addressed as per the RAP.

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
	Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance			
Compensation and income restoration	Compensation should be provided for any loss of personal, real or other property, goods or assets, including rights or interests in property, for instance, land plots and house structures, contents, infrastructure, mortgage or other debt penalties. The promoter is required to offer to the affected persons an informed choice of either compensation in kind or monetary compensation at the outset. Monetary compensation shall take into account full replacement cost based on market value, productive potential, or equivalent residential quality, including any administrative charges, title fees, or other legal transaction costs. The value of any improvements to the land, business losses, equipment, inventory, livestock, trees, crops and lost wages or income must also be compensated, along with economically assessable damage, including: property or interests in property, goods, assets, use-rights or rights of access to natural resources, loss of life or limb; physical or mental harm; lost opportunities, including employment, education and social benefits: material damages and loss of earnings, including loss of earning potential; moral damage; costs required for legal or expert assistance, medicine and medical services, and psychological and social services; and costs of salvage and transport. To enable affected persons to make productive use of cash compensation, it should be paid in its entirety and in a timely manner. Compensation for houses and other structures should be equivalent to replacement cost plus relocation costs. Depreciation of assets or the value of salvage materials shall not be deducted from the value of replacement cost.	Compensation under the Expropriation Law for loss of properties and assets is determined in accordance with the prevailing market price of the affected property/asset (Article 2 and 54). Compensation is also provided for instigation of an easement (for the reduced market value of the property and damages), a lease and for temporary occupation of land, in accordance with market prices (Articles 64 to 66). Costs of the expropriation procedure (including transaction costs) are borne by the Beneficiary of Expropriation (Article 32). Compensation for expropriated property (land or structure) is to be provided in the form of replacement land or structure (in the same municipality or city, with similar characteristics). If the affected person does not accept the offered property or if appropriate replacement property cannot be provided by the Beneficiary of Expropriation, cash compensation is to be provided (Articles 12, 53, 54). The RS Expropriation law explicitly states that owners of structures built informally (without a valid construction permit) are entitled to compensation in the amount of the owner's investment (construction value), if at the time when the structure was constructed, conditions for its legalization existed. Owners of such structures which were constructed after the expropriation proposal was submitted, are not entitled to compensation. The owners are required to demolish such structures and are entitled to salvage the construction material (Article 53). According to the Expropriation Law, for owners who reside in or carry out business in a structure which is to be expropriated, the Beneficiary of Expropriation must secure an appropriate replacement structure before it is demolished (Article 12). Compensation is provided for lost benefits which could have been derived from the use of the property (i.e. lost net income) in the transition period i.e. from the day they receive replacement property or the final deadline for payment of cash compensation (Article 62).	Compensation for affected land is being provided above replacement cost, as demonstrated in Section 7.2. and is sufficient to cover any additional losses that the owner or his/her household may have in connection to land acquisition. Possible gaps, relevant for this Project, are: Compensation for structures built informally which are not 'legalisable' (i.e. do not fulfil the criteria for legalisation) is not provided under the law. Depreciation of assets is taken into account during valuations of affected structures. In practice, depreciation does not impact the compensation amount and the assessed value of affected structures is often above the cost of constructing a new structure of the same size and quality.	The RAP specifies that any informal structures have to be compensated at full replacement cost. A review of the proposed compensation for the affected residential structures and outbuildings has to be carried out to determine if it fulfils the criteria of full replacement cost and the outcomes have to be presented to EIB. This review should also include meetings with affected owners to determine if they were able to construct/purchase new houses with the compensation they received and the level of satisfaction with their new residence.

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
	The situation of any project-affected persons who were subject to substandard living conditions prior to the project is to be improved following displacement.	Under the Expropriation law, compensation is provided for all affected assets, i.e. unharvested crops, trees, orchards, vineyards, etc. and the methodology for valuating all of these assets is presented in Articles 57 to 63.		
	The promoter must ensure that compensation and income restoration measures are implemented without discrimination based on gender, race, ethnicity, religion, disability or other prohibited grounds. Regarding gender, the promoter must ensure equal treatment of women during compensation and income restoration processes.	The Expropriation Law allows for owners whose assets and land are partially acquired, to request expropriation of all the remaining land and assets if the partial expropriation would negatively affect their economic situation or make the remaining part of the property useless or difficult to use (Article 11). According to the the Law on the Special Procedure of Expropriation, this request is to be processed in a separate procedure.		
		According to the Law on the Special Procedure of Expropriation, the Beneficiary of Expropriation acquires the right of accessing the property, when the decision on expropriation becomes final, or if an agreement on compensation was reached. Payment of compensation, in case of an agreement, has to be executed within 30 days of delivering the expropriation decision (Article 3, para 17).		
		Property rights on the expropriated property and the replacement property are formally transferred based on the legally binding decision on expropriation and proof that compensation has been provided/ paid (Article 73).		
		All people (men and women) have equal rights in RS as per Article 10 of the RS Constitution (Official Gazette of the RS 21/92, 28/94, 8/96, 13/96, 15/96, 16/96, 21/96, 21/02, 31/02, 31/03, 98/03 and 115/05), including the possibility to have formal legal rights on properties. According to the Family Law (Official Gazette of the RS 54/02, 41/08, 63/14), if formal legal rights over properties / assets have been acquired during the marriage, the law assumes they are shared equally between the spouses, unless a different agreement is formally registered with the court (Article 270).		
Resettlement assistance	Regardless of the circumstances and without discrimination, the promoter will ensure that affected persons or groups identified in the census, especially those who are unable to provide for themselves, have, during and after resettlement, safe and secure access to: (a) essential food, potable water and sanitation; (b) basic shelter and housing; (c) appropriate clothing; (d) essential medical services; (e) livelihood and subsistence sources; (f) fodder	According to the Expropriation Law compensation could exceed the assessed market value of properties, if specific personal or family circumstances of the project affected person deem it necessary to ensure that his/her livelihood is protected, especially if expropriation affects agricultural land or business space in which the owner performed a legal business activity of if the household needs to be physically resettled. (Article 55).	Assistance, as required under EIB standards, is not provided under the Expropriation Law, however it can be provided under other RS laws, e.g. law on social welfare.	The need for resettlement assistance will be identified during expropriation hearings and if needed, will be provided in cooperation with relevant service providers.

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
	for livestock and access to common property resources previously depended upon; and (g) education for children and childcare facilities	The law follows the basic legal principle on how incomes and livelihoods can be acquired as per virtue of law and therefore recognizes only formal sources of income and livelihoods.		
		Solutions for provision of livelihood restoration assistance for any affected people, particularly vulnerable individuals and/or groups, such as assistance for employment and training could be provided in partnership with the Republika Srpska Employment Institute and the Institute for Adult Education.		
Consultation	All relevant stakeholders must be given the opportunity for informed participation in resettlement planning with the goal that the mitigation of the adverse project impacts is appropriate and the potential benefits of resettlement are sustainable. Consultation will continue in accordance with Standard 10 on Stakeholder Engagement and during the implementation and monitoring of the resettlement process.	Public disclosure and consultation activities are organized in connection to the development and adoption of national and local spatial plans and urban plans, as defined by the Law on Spatial Planning and Construction (Official Gazette of RS 40/13). National legislation also requires public participation to be ensured in connection to the development of environmental impact assessments, regulated by the the Law on Environmental Protection (Official Gazette of the RS 71/12, 79/15). During these proceedings affected people have the opportunity to learn about the proclamation of public interest and subsequent expropriation.	Project meetings were held in the three municipalities as part of the ESDD carried out, during November 2021. The RAP has taken into consideration the views presented by meeting participants.	The RAP will be made available for comments, on the ARS website as well as in hard copy, in the municipality Vukosavlje, as well as in the local communities where affected owners reside.
	Opportunities for dialogue and consultation must be extended effectively to the full spectrum of affected persons, paying particular attention to the full participation in the consultation process of women, vulnerable and marginalised groups, in accordance with Standard 7, and, where necessary, adopting additional / complementary special measures or procedures	According to the Expropriation Law, before the decision on expropriation is passed, the municipal administrative authority in charge of expropriation has to inform the affected person with formal legal rights and those who have rights or claims recognizable under national laws that the request has been submitted (Article 26) and has to invite them to a meeting to present any facts which may be relevant for expropriation (Article 28).		
Grievance mechanism	The promoter shall set up and maintain a grievance mechanism that is independent, free and in line with the requirements set out in Standard 10 and that will allow prompt addressing of specific concerns about compensation and relocation from the affected people and host communities and other directly involved entities. The mechanism should be easily accessible, culturally appropriate, widely publicised, and well integrated in the promoter's project management system. It should enable the promoter to receive and resolve specific	The Expropriation Law foresees rights of affected people to submit an administrative appeal against the decision on expropriation to the Republic Administration for Geodetic and Property Affairs (Article 31), when the decision becomes final. If unsatisfied, affected people can also submit a judicial appeal against the decision on expropriation, to the responsible court, after which the decision becomes legally binding. If a compensation agreement cannot be reached within two months after the decision on expropriation becomes legally binding, the case will be referred to the local court to determine the compensation amount (Article 70).	There is no requirement under the law to establish and implement a grievance mechanism, as required under EIB standards.	This RAP describes the established Grievance mechanism.

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
	relocation by affected persons or members of host communities, and use the grievance log to monitor cases and improve the resettlement process.			
Forced evictions	In rare cases where the promoter is compelled to proceed with compulsory possession, the rationale justifying this action needs to be provided to the EIB in advance. The EIB requires that any such evictions: (a) are authorized by law; (b) are carried out in accordance with international human rights standards, including with the procedural protections against forced evictions outlined in General Comment 7 of the UN Committee on Economic, Social and Cultural Rights; (c) are undertaken solely for the purpose of promoting the general welfare; (d) are reasonable and proportionate with regard to promoting the general welfare; and, (e) ensure full, fair and timely compensation, rehabilitation and non-regression of rights including the right to an adequate standard of living.	Amicable agreements are encouraged by the Expropriation Law. The Beneficiary of Expropriation must invite affected persons (with formal legal rights and where no discrepancies between the factual and actual ownership is detected) through a public announcement to attempt to conclude an amicable agreement, before initiating expropriation. Proof that the Beneficiary of Expropriation attempted to reach agreements with affected owners has to be submitted with the request for expropriation (Article 25). The Beneficiary of Expropriation and the affected person can conclude an amicable agreement on compensation, until the decision on expropriation has become legally binding (Article 27) and with that, the expropriation process will be terminated. The agreed price will be paid and ownership transferred. The last instance in which agreements (in the expropriation procedure) can be concluded is within two months after the decision on expropriation has become legally binding. During this period, the municipal administrative authorities are obliged to facilitate meetings and to encourage the conclusion of a compensation agreement; if such an agreement is not reached, the case is referred to the relevant court to pass a decision on compensation (Articles 68 to 70). The Expropriation Law allows urgent access to land / properties, as described in section Compensation prior to land take / displacement, which is when forced evictions may occur. Evictions for persons with formal legal rights are carried out in accordance with the Law on General Administrative Procedure (Official Gazette of the RS 13/02, 87/07, 50/10) by municipal authorities with prior notice and availability of administrative and judicial remedies. Police presence is used if requested by the municipal authorities.		The RAP contains a requirement for ARS to notify EIB in case of planned forced evictions, in advance of these being carried out, with a justification for why they are needed. Forced evictions will not be carried out prior to EIB's review and acceptance.
Vulnerable groups	The promoter will take the necessary measures to appropriately manage the risks and adverse impacts of the EIB operation on vulnerable individuals and groups, including on women and girls, and minorities. In so doing, the promoter will seek to avoid, minimise, or otherwise mitigate or remedy the exposure of	The Expropriation Law recognizes that individuals (with formal legal rights or rights/claims that are recognizable under national laws) whose sources of livelihoods (only formal ones) are adversely affected by expropriation (i.e. who are economically displaced) are more vulnerable than others (Article 55).	There is no requirement to identify vulnerable people and corresponding mitigation measures during the expropriation process. However the needs of such individuals/households may be	The RAP contains a requirement to identify and assist vulnerable individuals.

Issue	EIB Standard 6 overarching requirements	Provisions of RS law	Gap / Comment	Proposed action
	vulnerable populations to project-related risks and adverse impacts.	Vulnerable persons (including the homeless) are entitled to social welfare assistance, which includes placement in shelters and access to other services available under the RS Law on Social Welfare (Official Gazette of the RS 37/12) and a set of other laws for improving living standards (access to health care, education, personal documentation, etc.). The RS Housing Fund provides loans for construction or purchasing of houses/apartments, under favorable conditions, to persons belonging to vulnerable groups.	addressed through social welfare and other services. As presented in section 7.2, in practice, affected people are assisted in numerous ways.	
Monitoring and reporting	The promoter is responsible for adequate monitoring and evaluation of the implementation of the resettlement plan and will take corrective action as necessary during implementation to achieve the objectives. The promoter's obligations are to keep the EIB informed of implementation progress.	No legal requirements in RS.		The RAP contains requirements for monitoring and reporting to EIB.



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Photos from the interviews













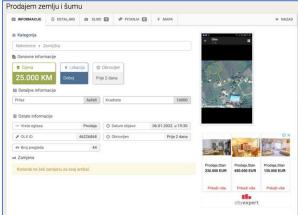
On 17.11.2021. the consultants met with the president of the local community council Donji Kladari (Jožo Bičvić) assisting the property administration in Modriča to find the whereabouts of affected people who are no longer residing in the municipality. The community was inhabited mainly by Croats before the war, many of whom left and have not returned. This work is being carried out for the construction of the motorway to connect Republika Srpska with Serbia (Vukosavlje – Brčko – Bjeljina – border with Serbia), however the same methods are used in other similar situations.

The key points from this discussion were:

- The president of the local community council has assisted in finding and reaching some 50 owners of land who no longer reside in the affected area;
- The property administration often waits for people to come to the municipality for holidays and organises expropriation hearings during that time, so that they can participate in the process. At the time of the interview, they were still waiting for someone to come from Canada;
- A lot of the land is neglected and unused, some owners give permission to other people to use the land, just to maintain it, but this is often done with no financial compensation;
- The loss of land for the motorway is not significant and in fact it is an opportunity for people to sell the land they are not using and to not have to pay taxes for it any more;
- Users of land will also not be affected as there is plenty of other, unused land in the area and they
 can reach out to other owners to make an agreement, however there is little interest in farming the
 land.

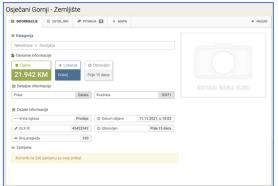
Annex 3 Property Advertisements



















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Annex 5 Grievance Log

No.	Date when the grievance was received	Name of person who submitted the grievance	Contact details of the person who submitted the grievance	Brief description of the problem / grievance	Company responsible for addressing (ARS / contractor)	Name and title of person responsible for addressing	Phone number / email address of person responsible for addressing	Planned actions to address the grievance	Actions carried out to address the grievance	Results of the actions carried out to address the grievance	Date when grievance was closed
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Annex 6 Census Registry

N o	Municipality	Case file number	Plot number (s) from the Cadastre	Privately owned / public land (municipal, state)	Name of the owner(s)	Contact phone number of the owner(s) - at least one reliable mobile phone number!	Has a legal representative been appointed (if the owner cannot be found)	Is land used by someone other than the owner (user of land)?	If yes, name and at least one reliable phone number of the user!	Briefly - how is the user using land (formally, informally, what is land used for)	Total area of each plot to be acquired (in m2)	Orphan land request made for plot(s)	Orphan land request approved (Y/N)	Type of land (agricultural, forest, residential, commercial, other)
1														
2														
3														
4														
5														

House formal (with permit) / informal (without permit)	Auxiliary structures (briefly list them: e.g. garage, barn, animal shelter, etc.)	Trees, crops, plants (or unused land)	Status of land acquisition case (1. expropriation in process, 2. expropriation decision appealed, 3. compensation agreement reached, 4. compensation claim in court, 5. compensation paid)	If plot and all assets on it have been compensated (5. in previous column), total amount of compensation in BAM / in kind (replacement land, structures, etc.)	Date of payment / provision of compensation	Compensation paid based on agreement / court decision	Grievance submitted (and registered in the grievance log with No. XXX)	Vulnerability (if yes, briefly describe the type of vulnerability)	List all assistance provided (moving allowance, additional compensation and for what, in kind assistance and type of assistance)	Has the household moved to another location? Reference to detailed monitoring report



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