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Land Acquisition and Resettlement Framework for Corridor Vc

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1. INTRODUCTION

1.1. Description and Context of the Proposed Project

PC Motorways ("the Company") is a public company in the Federation of Bosnia and Herzegovina (FBiH), working on the development of the motorway which is a part of the Trans-European Corridor Vc connecting Budapest (Hungary) and Port of Ploče (Croatia). The total length of Corridor Vc in FBiH is approximately 321 km. Construction has already started, and by now around 100 km of motorway have already been constructed and are in use. The constructed parts refer to subsections: Kakanj - Zenica south, North Sarajevo – Sarajevo, section of West Sarajevo - Tarčin as well as section Zvirovići - Bijača (from Medjugorje loop to the crossing border Bijača.)

The Corridor Vc motorway is considered as a priority project for Bosnia and Herzegovina (BiH), likely to entail major positive economic impacts for the country as a whole. The driving force behind the construction of the Corridor Vc motorway is to improve connectivity of BiH with its neighbouring countries and to enhance its potential for economic development. The project has strong support from the government and is expected to enable BiH to integrate better with the European economic and social structure. Other expected direct and indirect benefits include the following:

- increased efficiency in the transportation of goods;
- enhanced trade and economic competitiveness;
- increased opportunity for regional private sector investments;
- employment;
- increased tourism potential;
- reduce environmental impacts when compared to current traffic routes.

The Corridor Vc has been financed by the loan funds of The European Bank for Reconstruction and Development (EBRD), The European Investment Bank (EIB), OFID - OPEC Fund for International Development and other financial institution as well as with own funds of PC Motorways.

1.2. Scope of the Document

The Company has prepared this **Land Acquisition and Resettlement Framework (LARF) with the aim of outlining the general principles, procedures and entitlement framework** with regard to the potential impacts of land acquisition required for the Project, in conformance with the laws in force in FBiH and EBRD requirements, in particular EBRD's Performance Requirement (PR) 5 of EBRD's Environmental and Social Policy (2014)[1]: *Land Acquisition, Involuntary Resettlement and Economic Displacement.*

This **LARF serves as a basis for the development of detailed Land Acquisition and Resettlement Plans (LARPs)** for the Project, which will be developed once the exact nature and magnitude of the land acquisition or restrictions on land use related to the Project are known. The LARPs will provide more precise details on the Project Affected People, the

[1] The full text of the Policy is available in both English and Bosnian/Croatian/Serbian at: http://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html

eligibility criteria and the procedures to be applied for the Project in line with this LARF and in compliance with EBRD PR5.

A sample annotated outline for LARP is provided in **Appendix 2** of this document. A sample questionnaire for conducting a socio-economic survey is provided in **Appendix 3** where different research for landowners, household and business are conducted.

2. LAWS AND REGULATIONS

2.1. Law on Expropriation of FBiH

The *Law on Expropriation of FBiH*[2] regulates the conditions and procedure for expropriation of property for construction of facilities in public interest, compensation eligibility and amounts, handling of grievances and disputes handling and other issues pertaining to the expropriation process.

The key provisions of the Law may be summarized as follows:

- **Public interest and purpose of expropriation:**

Property can only be expropriated upon the establishment of public interest for projects that bring greater benefit for the public (Art. 3 and 5). Expropriation may be carried out for the needs of FBiH, cantons, cities, municipalities, public enterprises and public institutions, unless otherwise provided by the Law.

- **Expropriation process:**

A condition to start expropriation is the existence of evidence that the required funds have been secured and deposited with the bank in the assessed total sum for payment or proof of existence of replacement properties (Art. 24).

The procedure for expropriation starts with a proposal for expropriation, submitted by the Expropriation Beneficiary to the relevant Municipality ("the expropriation authority"). The proposal contains data on the property for which expropriation is proposed, the owners of such property and the purpose for which expropriation is proposed.

Negotiated settlements are explicitly encouraged by the Law (Art. 23). The expropriation beneficiary is required to publish a public announcement to invite the property owners and try to reach a prior amicable sale-purchase agreement with the affected owner. The signed agreement on compensation has to include the timing and rate at which cash compensation will be paid or in kind compensation provided (Art. 26). If no agreement on compensation is reached within 2 months of the validity of the Decision on Expropriation (or less if the Municipal Administration decides as such), the Municipal Administration submits the valid Decision together with other relevant documents to the competent Court, at the territory of which the expropriated real property is located, for the purpose of determining the compensation. The competent court ex officio decides in non-contentious proceedings on the amount of compensation for the expropriated real property.

[2] Official Gazette of FBiH, No. 70/07, 36/10, 25/12 and 34/16

- **Process of identifying factual owners/users:**

After the submission of the expropriation proposal by the expropriation beneficiary to the municipality, the municipality appoints a committee for conducting the expropriation procedure. The committee is responsible for resolving the so-called "preliminary issue", i.e. the issue of ownership, prior to issuing the decision on expropriation, which is the result of out-dated information in land registry books (the person registered in the land registry is different from the actual owner/user who may be the heir, the person who purchased the property but failed to report such transfer, etc.). The committee organizes a site investigation in the presence of the expropriation beneficiary, official court valuators of property and the identified property owner and user, and informs the participants that public interest has been declared for the project and that an expropriation proposal has been submitted. A written record of the site investigation is prepared. The committee also invites the identified owners and users, organizes a meeting in the municipality and issues a decision on the resolution of the preliminary issue (i.e. identifies the actual and current owner or user to whom the compensation will be provided). As the last step, the committee issues a decision on expropriation on the basis of the mentioned record and the documentation submitted together with the expropriation proposal. Affected people are entitled to lodge a complaint against this decision with the municipality, which is forwarded to the Federal Administration for Geodetic and Property Affairs as the second instance authority.

- **Information and consultation requirements**:

Prior to the submission of the expropriation proposal, **the expropriation beneficiary is required to publish a public announcement and invite all property owners for purposes of attempting a negotiated settlement** (Art. 23). **Affected owners are informed throughout the expropriation process, i.e. that a proposal for expropriation has been submitted** (Art. 25). Before the decision on expropriation is passed, **the Municipal authority has to invite the affected persons with formal legal rights to a meeting to present any facts which may be relevant for expropriation** (Art. 27).

- **Types of expropriation**:

Expropriation can be temporary (incomplete) or permanent (complete).

Complete expropriation allows the expropriation beneficiary to obtain legal title over the expropriated property, while the rights of the previous owner over the real property as well as other rights over that real property cease to exist.

Incomplete expropriation provides the beneficiary with usufruct rights on the land and structures, as well as the lease of the land for a definite period of time. At the end of the lease, usufruct rights over land are returned to the previous owner.

Owners affected by a partial loss of their real properties are entitled to request complete expropriation and the corresponding compensation, in case that partial expropriation would deteriorate the economic situation of the actual property owner or make the remaining part of the property useless or difficult to use (Art. 11), and must be informed of such right by the Municipal authority. The right to request expropriation of the complete property may be submitted until the issuance of the Decision on Expropriation in the first instance, as well as during the appeal procedure if the affected owner was not informed of such right.

- **Compensation**

Compensation is provided at market value of the affected property (Art. 12), determined on the basis of prices of property in the given area, calculated as the market price which could be achieved for a specific real property, depending on the supply and demand at that particular moment in time (Art. 46).

The Law sets out in detail how compensation is determined for buildings, orchards and vineyards, forest land and timber, agricultural, construction and city land.

Compensation is provided in the form of replacement property (Art. 45), **but may be provided in cash if so requested by the affected owner or if suitable replacement property cannot be identified** (Art. 46). Property owners are entitled to compensation for any losses of benefits they would otherwise have from that property (Art. 54).

Compensation is generally provided to formal owners of property. However, owners of illegally built residential facilities are also entitled to compensation (in the amount of the construction value of such facility) if such facility represents the only residential structure for the builder and the members of his/her immediate family, provided that:

- the competent authorities did not issue a decision on removal of facility,
- the illegally built residential facility is registered on the official orthoimage of the territory of FBiH in the scale of 1:5000 developed by the Federal Administration for Geodetic and Property Affairs.

Personal and family circumstances of the owners whose property is pending expropriation, as well as circumstances which may have adverse economic effects, can be taken into account when determining the amount of compensation, which may be increased above the market value (Art. 47). This provision addresses livelihood restoration beyond the sheer compensation of the lost asset by providing flexibility based on a case-by-case assessment of personal circumstances.

Compensation costs are borne by the Expropriation Beneficiary (EB). **Compensation arrangements must be settled prior to the formal transfer of ownership of the expropriated property. In exceptional cases involving the construction/reconstruction of public infrastructure facilities, the Government of FBiH may allow taking possession of property prior to the effectiveness of the decision on expropriation or the payment of compensation**, at the request of the EB and due to reasons of urgency or prevention of more significant damage[3]. The exception does not apply to residential or commercial structures for which an equivalent replacement has not been provided by the EB. In such event, the EB is required to inform the affected owner of its intention to request the taking possession of property.

[3] This issue has also been addressed in the RCF which states that compensation shall, as a rule, always be effected prior to land entry or taking of possession, but allows an exception: "upon request of the expropriation beneficiary who has produced valid reasons for urgent need to take possession of the expropriated real property, FBH Government can decide that the real property is turned over to the expropriation beneficiary before the effectiveness of the decision on expropriation, if it establishes that this is necessary due to the urgency of the situation or in order to avoid larger damage."

- **Grievance procedure**

The Law foresees the rights of affected citizens to appeal at many stages of the expropriation procedure, beginning with administrative and judicial appeals (i.e. against the decision on public interest (Art. 16), the decision on expropriation (Art. 30) and regarding compensation (Art. 60). Explained in detail in section 4, Grievance procedure in FBiH.

2.2. Other Related Legislation of FBiH

The *Law on Proprietary Rights*[4] regulates the general issues of acquiring, using, disposing of, protecting and terminating ownership rights and other proprietary rights and possession rights, including the issues of restricting such rights, the right of servitude, co-ownership and joint ownership rights, the procedure for acquiring property rights over land and/or structures erected on someone else's land. The Law states that ownership rights and other proprietary rights may only be limited or taken away in public interest and under the conditions defined by the Law in accordance with the principles of international law. A significant provision of the Law is that occupants of property acquire ownership rights upon 10 years of conscientious and legal occupancy, or upon 20 years of conscientious occupancy. In addition, the Law provides that the conscientious builder of a structure on land owned by another person is entitled to acquire such land, if the land owner did not oppose to the construction. The land owner is in this case entitled to request to be compensated for the market value of the land.

The *Law on Construction Land of FBiH*[5] allows for the legalization of informally constructed structures on construction land in state ownership on which a structure has been built. This Law enables the subsequent issuing of a permit for construction, by the Municipal Council, in accordance with the Law on Spatial Planning. Legalization of informally constructed buildings is further regulated by decrees taken at cantonal level, and implemented at municipality level.

The *Law on Agricultural Land of FBiH*[6] contains the basic definitions and principles regarding the management, protection, use, planning, and records related to agricultural land. The Law provides that a right of way may be established on agricultural land, as decided by the city or municipal council. The owners of such land are entitled to compensation in accordance with the Law on Expropriation.

The *Law on Extra-Judicial Proceedings of FBiH*[7] prescribes the rules by which courts decide upon personal, family, property-related and other rights and legal interests resolved in extra-judicial proceedings. The courts determine the amount of compensation for expropriated property in extra-judicial proceedings. The petitioners may conclude an agreement about the compensation form and range, i.e. the amount of compensation, and the court will then base its decision on such agreement, if the court finds that the agreement is not contrary to the regulations which prescribe the proprietary rights over real estate.

[4] Official Gazette of FBiH, No. 66/13, 100/13
[5] Official Gazette of FBiH, No. 25/03, 16/04, 67/05
[6] Official Gazette of FBiH, No. 52/09
[7] Official Gazette of FBiH, No. 2/98, 39/04

The *Law on Administrative Procedures of FBiH*[8] regulates the procedures applied by administration bodies in deciding upon citizens' rights and obligations within the framework of administrative procedures. Parties are entitled to appeal against decisions adopted in the first instance. Only the Law may prescribe that appeals are not permitted in certain administrative issues, if the protection of rights and legality is ensured in some other way. In its Article 54, the Law gives the possibility to appoint a temporary representative if a party does not have a legal representative or if an action is to be taken against a person whose place of residence is unknown, and who does not have a proxy. The temporary representative is appointed by the body which manages the procedure, if so required by the urgency of the case. The body managing the procedure will notify the body of custody immediately thereof, and if the temporary representative is appointed to a person whose place of residence is unknown, it will disclose its conclusion on a notice board or in other usual manner (by means of newspapers or other media). A temporary representative can be appointed to a commercial corporation, institution or other legal entity. The appointed person is obliged to accept the representation and may refuse it solely for the reasons as prescribed in special regulations.

The *Law on Land Registration of FBiH*[9] regulates keeping, maintenance and setting up of land registries, as well as the registration of real estate and proprietary rights in land registries in FBiH. Proprietary rights and other rights come into effect only upon registration in land registry. In the expropriation process, the issued Decision on Expropriation represents the legal basis of registration in the land registry. In addition, expropriation may be registered in the form of conditional registration.

The *Law on Land Survey and Cadastral of Property in FBiH*[10] regulates survey of land, buildings and other structures, establishment and maintenance of registry of land, buildings and other structures, records and registration of property. Records of property possessors are kept in the land registry.

The *Law on Social Protection, Protection of Civilian War Casualties and Protection of Families with Children*[11] *of FBiH* regulates Social welfare, which in terms of this law is an organized activity in the Federation, aimed at ensuring the social security of its citizens and their families in need. The persons or families in need due to a forced migration (among others[12]) are entitled to a temporary, one-off and other financial assistance or natural assistance if they meet two conditions:

- they do not have enough income to support themselves,
- they do not have family members who are legally obligated to support them, or if they have, that these persons are not able to support them.

The right to the assistance shall be exercised by the competent authority of the municipality where the persons and the family are resident.

[8] Official Gazette of FBiH, No. 2/98, 48/99
[9] Official Gazette of FBiH, No. 19/03, 54/04
[10] Official Gazette of SRBH, No. 22/84, 12/87, 26/90 and 36/90 and Official Gazette of SRBH, No. 4/93 and 13/94
[11] Official Gazette of FBiH, No. 36/99, 54/04, 39/06
[12] A person or family in need, which is due to special circumstances require an appropriate form of social welfare, in terms of Article 12, paragraph 1, item 9) of this Law, is a person or family who finds himself in a state of social needs due to a forced migration, repatriation, natural disaster, the death of one or more family members, return from medical treatment, release from prison or execution of the educational measure (Article 18.)

The Law on Gender Equality in BiH[13] promotes and guarantees the equal treatment of sexes and equality of opportunities for all in both the public and private domain, and prohibits direct and indirect discrimination on grounds of gender.

3. KEY LAND ACQUISITION / COMPENSATION PRINCIPLES AND ISSUES

The following principles of land acquisition and compensation have been committed upon by the Company, and shall be adhered to during Project implementation:

1. Land acquisition will be carried out in compliance with the **applicable legislation in FBiH** (in particular, the *Law on Expropriation of FBiH*), the **EBRD Environmental and Social Policy 2014** and its Performance Requirement 5 (*Land Acquisition, Involuntary Resettlement and Economic Displacement)*, this document **(LARF)** and good international practice. The Project will enable the consideration of micro realignments in order to avoid land acquisition where possible.

2. **All affected persons will be informed and consulted** during Project preparation and implementation. All owners, occupants and users shall be visited and explained the land acquisition process and the specific impacts on their land, so as to give an opportunity for micro re-alignments to be made in order to reduce potential impacts and inconveniences.

3. **Detailed Land Acquisition and Resettlement Plans (LARPs) in compliance with PR 5 will be developed** for each section of the Project that requires the expropriation of land, physical displacement of population, or loss of income due to changes in land use or access to resources. Each LARP shall be subject to public consultation. The LARPs will be based on reliable up-to-date information and will include basic information about the Project, Project impacts, affected people and assets, entitlements for all categories of affected people as well as any legal issues relating to resettlement or any gaps between the domestic law and PR 5. Each LARP shall also include a detailed budget and timetable.

4. The **baseline socio-economic survey and census** for each LARP will identify both formal and informal land/property users, including vulnerable persons/households, such as single mothers, widows and widowers, disabled people, or those living in extreme poverty.

5. The **cut-off date** for the establishment of eligibility (for both formal and informal land owners/users) **will be the date of submission of proposals for expropriation by the Company** as the Expropriation Beneficiary to relevant municipalities. Persons who have settled in the Project area after the cut-off date will not be eligible for any compensation. The cut-off-date will be disclosed and disseminated publicly in the daily newspapers, on public bulletin boards in settlements and consultation meetings in the concerned affected communities.

6. **All owners, occupants and users** of affected land at the time of the cut-off date, whether with or without fully recognized ownership rights, **are eligible for**

[13] Official Gazette of BiH, No. 16/03, 102/09

compensation and/or assistance, **as outlined in the Entitlements Matrix (3.1 Table of this document).**

7. **Temporary occupation of land for construction purposes will be compensated** in accordance with the Law on Expropriation of FBiH, as stipulated in the Specific Compensation Entitlements (4.1 Table 1 of this document).

8. **Standards of living and/or livelihoods of affected persons will be restored and potentially improved**, in as short a period as possible.

9. **Official valuation** of properties/improvements to land will be carried out by designated certified valuators, selected on the basis of a public procurement procedure.

10. Compensation will be provided before displacement or imposition of access restrictions. Issues related to **payment of cash compensation will be discussed and agreed with owners and all affected members** of households. Cash compensation will be paid in full or in instalments as agreed with the owners and affected members of the households and as defined by contracts, to the bank accounts specified by the owners, with agreement of all affected members of the household. In cases where there is more than one owner of property (i.e. co-ownership of married couples), compensation amounts will be divided and paid to the bank accounts they specify.

11. Moving allowance shall be provided to all categories of Project Affected People (PAP). A construction expert in his findings will determine a special paragraph that will apply to moving allowance. The moving allowance will be determined in relation to the surface of the object or the actual amount of belongings and furniture that need to be relocated. Moving allowance shall be provided to all resettled families/businesses, in the maximum amount of 3 KM per m² of net residential/commercial area.

12. **Project Affected People and communities will be provided with information and consulted** in order to facilitate their early and informed participation in the decision making process related to resettlement. **Access to information and assistance for vulnerable persons/households will be facilitated by the Company** according to their specific needs, on the basis of case-by-case screening to be carried out with support from the relevant municipal social departments. More details on assistance to vulnerable groups is provided in Appendix 1 of this LARF.

13. An effective grievance mechanism will be in place for receiving and addressing in a timely fashion specific concerns about compensation and relocation raised by displaced persons.

14. The Company will **monitor the implementation of the land acquisition and livelihood restoration processes** through internal institutional arrangements as well as through an independent, external monitor.

4. ENTITLEMENTS AND COMPENSATION

Compensation entitlements for different categories of eligible households and properties covered by the current applicable legislation of FBiH are described in summary in **Table 1** below. Hereinafter are details on entitlements and compensation for all categories of affected assets and metodology for valuation of property.

4.1 Table 1: Specific Compensation Entitlements

Type of Project affected right or property or loss	Applicable legal / policy framework	Entitlement	Process and specific conditions
Loss of residential structure (owners)	Law on Expropriation of FBiH EBRD Policy	Replacement property of similar size and characteristics or Cash compensation at replacement value of property[14] + Moving allowance and compensation for other resettlement related expenses	• Transfer of property right through amicable agreement or expropriation process in accordance with Law on Expropriation • Provision of compensation at replacement value in accordance with EBRD Policy
		Owners with partially affected land plots: Compensation for the loss of farmland and other assets in affected area + The right to request complete expropriation of their land plots and corresponding compensation	• Owners affected by a partial loss of their land plots are entitled, according to the Law on Expropriation, to request complete expropriation and corresponding compensation in case partial expropriation would deteriorate the economic situation of the property owner or render the remaining part of the property useless or difficult to use. Such landowners must be informed about this entitlement by the official managing the expropriation process

[14] Replacement value indicates market value of the property plus legal costs of acquiring other property, such as taxes and fees related to purchase of other property, registration in land registry etc.

Loss of informal residential structure (erected without building permit on own land plot)	Law on Expropriation of FBiH Law on Proprietary Rights of FBiH EBRD Policy	*Subject to successful legalization*: Same as formal owner *If legalization is not possible*: Compensation for land at replacement value + The affected person has the right to choose either a) to take away the building materials or b) be provided with cash compensation at construction value of the structure + Moving allowance and compensation for other resettlement related expenses	• Provision of compensation through amicable agreement
Loss of informal residential structure (erected without building permit on someone else's or state owned land plot)	Law on Expropriation of FBiH Law on Proprietary Rights of FBiH EBRD Policy	Cash compensation at replacement value for the private land plot to the owner + The affected person has the right to choose **a**) to take away the building materials or **b**) be provided with cash compensation at construction value of the structure + Moving allowance to structure owner	• Transfer of property right for land owner, and provision of compensation for structure owner through amicable agreement • Provision of use of alternative accommodation by the competent authorities, with security of tenure, if the occupant has no or no stable sources of income and his/her family does not own other property
Loss of land plot (1. tenants and 2. Project Affected People (PAP) without formal land title)	EBRD Policy	1. An equivalent area of leased land for unexpired lease period or reimbursement for unexpired lease period plus compensation for any land improvements (such as irrigation or structures) built on the land; compensation to be paid at replacement value 2 - PAP without formal land title occupying the area at the time of the cut-off date will not be compensated for land, but will be compensated for any structures, or other assets on the land	• Provision of compensation to be provided in accordance with EBRD Policy

Temporary land occupation and losses	Law on Expropriation of FBiH EBRD Policy	***Owners:*** Affected land and infrastructure will be restored to pre-project conditions + Cash compensation for temporary land occupation in the amount of lease at market prices + Cash compensation for lost assets (e.g. structures, trees) to the owner of assets + Compensation at market value for loss of net income from subsequent crops that cannot be planted for the duration of temporary possession (e.g. compensation for harvests lost at average yield/hectare) ***Informal users/Occupants/Formal users***: Affected land and infrastructure will be restored to pre-project conditions + Cash compensation for lost assets (e.g. structures, trees) if owned by informal/occupants/formal users who is not owner of land + Compensation at market value for loss of net income from subsequent crops that cannot be planted for the duration of temporary possession (e.g. compensation for harvests lost at average yield/hectare) if owned by informal/occupants/formal users who is not owner of land	• Temporary land occupation and any damages to assets compensated in accordance with Art. 57 of the Law on Expropriation. Informal users/occupants of land plots affected by temporary losses are not entitled to cash compensation for temporary land occupation based on the Law on Expropriation, but shall be compensated for any losses and damages to assets/harvests on land owned by such users, including compensation for harvests lost • Compensation for damages during the period of temporary possession at replacement cost of material and labour without deduction for depreciation or salvageable materials
Loss due to right of way	Law on Expropriation of FBiH	Compensation for reduced market value of the property + Compensation for any damages to the property	• Compensation for establishment of right of way on private property to be provided in accordance with Art. 56 of the Law on Expropriation

Loss of annual crops (land owner, occupant or tenant)	Law on Expropriation of FBiH EBRD Policy	The right to harvest crops or (if harvesting not possible) Cash compensation for annual crops at replacement value	• Cash compensation for crops will be provided only if annual crops could not be harvested before expropriation takes place, in accordance with the Law on Expropriation of FBiH (Art. 55). If that is not possible (e.g., the crops are not ripe yet), the land owner/tenant is entitled to cash compensation at full replacement cost of the crops • To the extent possible, land acquisition and land entry will be scheduled so that any standing annual crop, regardless of its development stage, can be harvested before the initiation of construction works
Loss of perennial crops (land owner, occupant or tenant)	Law on Expropriation of FBiH EBRD Policy	The right to pick fruits, vegetables, etc. + Cash compensation for perennial trees/plants at replacement value	• Compensation will include all trees and plants, and the court expert will assess their value depending on the age, type, etc. (Art. 50 of the Law on Expropriation) • If the perennial crops cannot be harvested, the owner is entitled to cash compensation for the expected crops, in accordance with the Law on Expropriation • Perennial crops and trees will be valued at the cost of replacement (determination of full replacement value includes the yield of the crop over one year, the cost of re-establishing the plantation (seedlings, soil preparation, fertilizers, etc.), as well as of the lost income during the period needed to re-establish the crop) • The replacement value for commercial timber tree species shall be the market value of the logged timber. If an affected commercial forest cannot be logged before entry of the expropriation beneficiary into the land plot, the compensation principle will be similar to that for annual crops, taking consideration of the market value of the lost timber
Loss of place of business (commercial structure)	Law on Expropriation of FBiH EBRD Policy	***Formal businesses:*** Same as for residential property	• Compensation for informal businesses is not regulated by local legislation, and such businesses will be individually consulted and provided free legal assistance in regularizing their status to allow for provision of compensation based on the Law on Expropriation

		Informal businesses: Assistance to informal businesses to regularize their status + Compensation for construction value of the structure and provision of adequate alternative location under lease or similar arrangement as to enable the business to continue its economic activities elsewhere	
Loss of business income (formal or informal businesses)	Law on Expropriation of FBiH EBRD Policy	Compensation for loss of income incurred as a result of Project activities until the full restoration of business activities, to be assessed on a case-by-case basis (based on accounting reports or other applicable documents) + Compensation for any transitional costs (e.g. the cost of the transfer and reinstallation of the plant, machinery or other equipment) + Assistance to informal businesses to regularize their status	• Compensation for informal businesses is not regulated by local legislation, and such businesses will be individually consulted and provided free legal assistance in regularizing their status to allow for provision of compensation based on the Law on Expropriation

Successfully completed legalisation process means the legalisation of illegally constructed structures that was successfully completed before the date of the Decision on Expropriation. For all cases that are contrary to the relevant legal regulations, and that need to be addressed / resolved pursuant to EBRD requirements under the signed Loan Agreement, the Government of the Federation shall make the necessary decisions at the proposal of the Federal Ministry of transport and Communications.

Beyond the above entitlements, affected vulnerable people will receive further assistance, based on a case by-case screening. Appendix 1 provides details.

5. METHODOLOGY FOR VALUATION OF PROPERTY

Valuation of land and assets on land will be conducted by independent court experts for valuation of property (agricultural expert and construction expert) selected from the official list of court experts by PC Motorways FBiH or the Municipality.

Agricultural and forest land

As provided under the Law on Expropriation of FBiH, compensation for land will, wherever feasible, be in the form of a replacement property allowing the owner approximately the same conditions of use[15].*Same conditions of use* are to be understood as meeting the following criteria:

- being acceptable to the affected owner/farmer,
- being approximately the same size,
- having a similar or better agricultural potential, i.e. fertility, slope, parcel shape, exposition to sunshine, and
- being located at reasonable distance.

Where replacement property cannot be offered to the affected landowner because suitable agricultural land is not available at reasonable distance or is not acceptable to the landowner, the expropriating authority will establish written evidence of its unsuccessful efforts to identify such similar land, and compensate for such land at full replacement cost.

For agricultural land, replacement cost represents the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.

The Law on Expropriation does not explicitly regulate the situations where only a plot smaller in size or agricultural potential can be offered as a replacement property, and whether it would be acceptable to pay a balance in cash on top of the compensation in kind to offset such a difference in size or potential. In situations where a plot of equivalent size or potential cannot be identified and offered, and plots smaller in size or potential can be offered, the owner will be allowed the option to receive compensation partly in kind (replacement property - plot), and partly in cash. This requires both the affected and the replacement plot to be valued so that the difference can be calculated. As a general rule, if the difference in established values is less than 10%, the plots will be considered approximately equivalent and no cash compensation will be provided to offset this difference. In any case, the requirements set out in the Specific Compensation Entitlements (Table 1 of this LARF) will be applied.

[15] According to Article 45 of the Law on Expropriation, compensation for expropriated real property is determined by providing other corresponding real property equal in market value to the expropriated real property in the same municipality or city, thus allowing the owner of expropriated real property approximately the same conditions of use.

In situations of partial expropriation of agricultural land where the land owner would assess the plot remainder as unsuitable for further agricultural use or in every case where the land plot would lose its access road, the owner can apply for expropriation of the whole plot according to provisions of Article 11 of the Law on Expropriation. Such situations are to be assessed on an individual basis by the expropriating authority.

Residential land

The preferred option for residential land to be expropriated will be replacement with alternative land according to the provisions of the Law on Expropriation. The compensation package will usually include compensation for residential houses on the given plot.

If residential land is affected but the house itself is not, compensation will usually be in the form of cash. Cash compensation will be provided at replacement cost, i.e. the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.

Houses or other structures

When assessing the replacement properties, the following criteria shell be applied to the extent possible:

- parcel on which the houses or other structures are located shall have approximately the same size,
- houses shall have similar size and standards, including access to utilities, and
- houses shall be located at a reasonable distance and be with a similar potential from the livelihood point of view (access to employment or agriculture).

If replacement structures smaller in size or of unfavorable characteristics are proposed to affected persons, the difference in value shall be paid to the affected owner pursuing the approach similar to that described in section on agricultural land compensation.

Where the affected owner opts for cash compensation rather than replacement property or if no suitable substitute property can be identified in the area, residential structures will be compensated in cash at full replacement cost. For houses and other structures, replacement cost is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. It also includes costs for leveling or other preparation for new construction or use. Costs are calculated based on the time at which the asset is being replaced, if not, inflation is taken into account in calculating costs.

Crops and forest

To the extent possible, land acquisition and land entry will be scheduled so that any standing annual crop, regardless of its development stage, can be harvested before the land is taken

from the land owner or land user. Annual crops that are harvested before land entry shall not be compensated for.

Annual crops that cannot be harvested prior to land entry or that are damaged by construction works shall be compensated for at full replacement cost. Recent agricultural produce prices at municipal or canton level shall be applied. Where such records are not available, the records from the Agency for Statistic of BiH which are published in the form of First Release[16] and are updated quarterly shall be used. Agricultural expert will use such data for his/her findings in the absence of data from municipalities and cantons.

The determination of the full replacement cost requires consideration not only of the yield of the crop over one year, but also of the cost of re-establishing the plantation (seedlings, soil preparation, fertilizers, etc.), as well as of the lost income during the period needed to re-establish the crop.

Compensation rates shall be calculated in compliance with the full replacement cost principle, whereby the compensation rate C for one tree is determined by application of the following formula:

$$C = V \times D + C_P + C_L$$

V - average market value of the produce of one tree for one year
D - average period of time required to re-establish the tree to an adult production level, in years
C_P - cost of planting (seedling, soil preparation, initial fertilization)
C_L - cost of the labor required to maintain the crop during the period of time needed to re-establish it to its previous production level

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

Compensation rates will be generated for the following stages of plant (tree) development:

- seedling,
- young plant, not productive,
- young plant , productive, and
- mature plant.

Unlike perennial fruit plantations, which can be harvested over a long period of time, most commercial timber tree species are yielded only once, as is the case with annual crops. The replacement cost shall therefore be in line with the provisions of the Entitlements Matrix. If an affected commercial forest cannot be logged before land entry, the compensation principle will similar to that described for annual crops, taking consideration of the market value of the lost timber.

[16] AGRICULTURE, ENVIRONMENT AND REGIONAL STATISTICS, SALE OF AGRICULTURAL PRODUCTS ON GREEN MARKETS are available on the official website of the Agency
(e.g. for II quarter of 2016 http://www.bhas.ba/saopstenja/2016/AGR_2016Q2_009_01_BH.pdf)

6. GRIEVANCES MANAGEMENT AND REDRESS

6.1 Public Grievance Mechanism

PC Motorways and the Contractor(s) will receive and consider all comments and complaints associated with the Project. A sample of the Project's Grievance Form which can be used for comments and complaints is provided at the end of this document (Appendix 4.) and will be available on the PC Motorways website: http://www.jpautoceste.ba as well as the websites of municipalities affected by expropriation.

Any person or organisation may send comments, complaints and/or requests for information in person or via post, telephone or email using the contact information provided at the end of the document. Individuals who submit their comments or grievances have the right to request that their name be kept confidential.

All comments and complaints will be responded to either verbally or in writing, in accordance with the preferred method of communication specified by the complainant, if contact details of the complainant are provided. All grievances will be registered and acknowledged within 5 days and responded to within 20 working days of their receipt.

Contact details for submitting comments and concerns regarding the Project are available below. Grievances in relation to construction activities will be addressed by construction contractor(s) and their management will be monitored by PC Motorways.

Contact Information

All types of stakeholder grievances (apart from those raised by employees and contractors) relating to this Project shall be channelled to PC Motorways through the following designated staff member:

Attention: *Ermin Hadžimehmedagić*
Department for designing and construction
PC Motorways
Postal Address: Dubrovačka 6, 71000 Sarajevo
Telephone: +387 33 277 900
E-mail address: *h.ermin@jpautoceste.ba*
www.jpautoceste.ba

Other relevant contact details:

PC Motorways FBiH d.o.o. Mostar
Braće Fejića bb, 88 000 Mostar
PC Motorways FBiH d.o.o. Mostar - Sarajevo Office
Dubrovačka 6, 71000 Sarajevo

6.2 Grievance procedure in FBiH

In addition to using this grievance mechanism, complainants will also be able to seek legal remedies in accordance with the laws and regulations of the FBiH at all times. The procedure is summarized as follows:

- Complaints against the decision on expropriation shall be decided upon by the Federal Administration for Geodesy and Property-Legal Affairs;
- Grievances are submitted to the first level administrative body that brought the decision on expropriation (municipality);
- Deadline for submission of grievances is 15 days;
- Any grievance shall be responded to and processed within 30 days;
- Against the decision of the second level administrative body, administrative litigation can be initiated before the cantonal court within 30 days from the date when the decision was received;
- Information on legal recourse represents an integral part of every decision;
- If no agreement on the compensation is reached within two months from the date when he decision on expropriation entered into force, the municipal administrative body shall promptly submit the valid expropriation decision together with other relevant documents to the competent Court, at whose territory the expropriated real property is located, for the purpose of determining the compensation.
- If the municipal administrative body fails to act in line with the above provision, the previous owner and the expropriation beneficiary may approach the Court directly for the purpose of determining the compensation.
- The Law on administrative procedure prevails over the Law on Expropriation so that the grievance procedure shall be conducted in accordance with the Law on Administrative Procedure.
- For resolution of any disputes that could not be readily solved by direct interaction between the parties, mediation will be used as a voluntary procedure for extrajudiciary settlement of disputes. A third party independent and impartial mediator will be hired by the Federation's Motorway Directorate and shall receive the information on all disputes.
- The competent court shall *ex officio* decide in out-of-court proceedings on the amount of compensation for the expropriated real property.
- Proceedings for determining the compensation for expropriated real property are urgent. The proceedings should be completed as soon as possible and not later than 30 days from the date of initiating court proceedings;
- It is possible to file a separate appeal against the court decision on the compensation.

7. MONITORING, EVALUATION AND REPORTING

The Company will conduct monitoring and maintain a land acquisition database on the families/businesses whose properties have been affected (including the non-owners). The data/information will be updated periodically in order to keep track of the families' and businesses' progress.

The indicators to be used for monitoring will include, in particular, the following:

- Overall spending on expropriation and compensation

- Number of Project Affected People by categories
- Number of structures (residential and non-residential) identified for demolition
- Number of public meetings and consultations with affected people
- Number and percentage of individual compensation agreements signed before the beginning of construction activities
- Number of persons requesting special assistance and types of assistance provided to vulnerable individuals/households in a timely manner
- Number of people having received cash compensation in the period with distribution by compensation type and by classes of amounts
- Number and amount of payments that restore loss of income
- Number and type of grievances, including any court cases, related to land acquisition (submitted and resolved and how long it took for them to be resolved)

The Company will prepare and submit to EBRD annual reports on the progress achieved in the implementation of this LARF and supporting Land Acqusistion and Resettlement Plans.

At the end of the land acquisition process a completion audit shall be carried out by an independent expert, acceptable to the EBRD and any remedial measures sholud be addressed on a timely basis.

8. IMPLEMENTATION

8.1 Land Acquisition and Resettlement Plans

Land Acquisition and Resettlement Plans (LARPs) shall be prepared ahead of the actual implementation of resettlement and compensation activities. LARPs shall be prepared for every component of the Corridor Vc Project, and will be publicly disclosed and include the information as defined in Appendix 2.

For each component, the preparation of LARPs and of Expropriation Studies (as provided under Article 16 of the Expropriation Law of FBiH) shall be integrated into one single contract.

8.2 Organisational Arrangements for Implementation

In accordance with the Expropriation Law as well as for practical reasons, responsibilities will be shared between a Project Implementation Unit within the Company and the involved Municipalities.

Appendix 5 describes the share of responsibilities between these two entities based on a list of tasks required to implement this LARF.

8.3 Resources Required for Implementation at PIU Level

The PIU established for the Project within the Federation Motorway Directorate will appoint a Compensation and Resettlement Coordinator, reporting to the overall Project Coordinator, who will make sure that tasks identified above are timely implemented.

In addition, the PIU shall appoint two more staff members, reporting to the Compensation and Resettlement Coordinator, if needed. Support secretarial staff will be allocated to these staff members as needed.

8.4 Funding Arrangements

The borrower is to fund compensations for expropriation as well as expenses related with implementation of moving and resettlement activities. A specific item shall be identified in the budget of the FBiH Motorway Directorate to take care of compensation and resettlement activities associated with the Vc Corridor Project.

Eligible expenses under such item shall include the following:

- Expropriation of affected properties (per Article 24 of the Expropriation Law, it is an obligation of the FBiH Motorway Directorate to submit evidence that required funds have been secured and deposited),
- Judicial proceedings associated with expropriation,
- Moving allowance for those affected households eligible thereto,
- Assistance to Project - affected vulnerable people,
- Compensation for all crops/trees,
- Expenses related with coordination, implementation, monitoring and evaluation of the compensation and resettlement activities.

Separate and auditable records shall be kept of monies disbursed under this item in relation to compensation and resettlement activities, according to public accountancy rules in FBiH.

9. APPENDIX 1 – ASSISTANCE TO VULNERABLE PEOPLE

Vulnerable people are those affected people who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status, may be more adversely affected by resettlement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

Vulnerable people include, but are not limited to:

- disabled persons, whether mentally or physically;
- seriously ill people, particularly people living with HIV/AIDS and other chronic illnesses;
- the elderly, particularly when they live alone;
- households whose heads are children;
- households whose heads are female and who live with limited resources;
- households who have no or very limited resources;
- widows and orphans

Refugees and displaced persons are covered by the Law on Displaced Persons of the FBiH, which at federal level is implemented by the Ministry for Displaced Persons and Refugees and by relevant institutions.

Assistance to vulnerable people shall include the following activities, depending on a case-by-case screening to be carried out with support from the Municipalities Social Welfare Bureau:

- Assistance during the compensation and resettlement process:
  - During the census,
  - Individual meetings to explain eligibility criteria and entitlements,
  - Specific resettlement packages
  - Payment process (making sure that compensation documents are well understood, that the vulnerable individual will be able to cash in cheques, etc…),
  - In the post payment period to secure the compensation money and reduce risks of misuse or robbery;
- Assistance for moving:
  - Removal of belongings,
  - Salvaging of material in the old dwelling and transport or sale thereof,
  - Transportation of the household themselves, with medical assistance if required,
  - Taking of possession of the new tenement,
- Assistance during the post-resettlement period:
  - Counselling in matters such as family, health, money management, and livelihood restoration,
  - Check that the solidarity networks that the vulnerable person was relying on have been reestablished or take measures if they have not: food support, health monitoring, etc.,

- Health care if required at critical periods or enrolling vulnerable households in a health insurance scheme,

Prioritization for training courses to enhance employability and prioritization for employment where possible.

10. APPENDIX 2 – STRUCTURE OF LAND ACQUISITION AND RESETTLEMENT PLANS (LARPs)

1. SCOPE OF THE LAND ACQUISITION AND RESETTLEMENT PLAN
2. PROJECT DESCRIPTION AND PROJECT POTENTIAL IMPACTS
3. LEGAL FRAMEWORK
4. PRINCIPLES, OBJECTIVES, AND PROCESSES
4.1. PRINCIPLES AND OBJECTIVES
4.2. PROCESS OVERVIEW
5. AFFECTED ASSETS, AFFECTED PEOPLE AND ENTITLEMENTS
5.1. CENSUS OF AFFECTED ASSETS AND AFFECTED HOUSEHOLDS AND EXPROPRIATION STUDY
5.2. SOCIO-ECONOMIC BASELINE SURVEY
5.3. AFFECTED LAND
5.4. AFFECTED STRUCTURES
5.5. BUSINESSES
5.6. PEOPLE
5.7. ENTITLEMENTS
5.7.1. Eligibility to Compensation
5.7.2. Entitlement Matrix
6. RESETTLEMENT AND COMPENSATION
6.1. METHODS FOR VALUATION OF AFFECTED ASSETS
6.2. RESETTLEMENT
6.3. CASH COMPENSATION
6.3.1. Rates
6.3.2. Payment
7. CONSULTATION AND DISCLOSURE
7.1. MAIN RESULTS OF CONSULTATION CARRIED OUT FOR PREPARING THE RAP
7.2. DISCLOSURE
8. GRIEVANCE MANAGEMENT MECHANISMS
9. VULNERABLE PEOPLE
9.1. IDENTIFICATION OF VULNERABLE PEOPLE
9.2. POTENTIAL ASSISTANCE ACTIVITIES TO VULNERABLE PEOPLE
10. MONITORING AND EVALUATION
11. IMPLEMENTATION RESPONSIBILITIES AND FUNDING
11.1. IMPLEMENTATION RESPONSIBILITIES
11.2. BUDGET
11.3. ARRANGEMENTS FOR FUNDING

11. APPENDIX 3 - SOCIO-ECONOMI SURVEY QUESTIONNAIRES

QUESTIONNAIRE FOR HOUSEHOLDS

Questionnaire number	

Survey date:	
Surveyor's name and surname:	

1. GENERAL INFORMATION ON AFFECTED HOUSEHOLD

1.1. Location:	
1.2. Municipality:	
1.3. Cadastral plot reference:	
1.4. Full name of the respondent:	
1.5. Ethnic group:	
1.6. Phone number:	
1.7. Whole plot affected: Yes/No	
1.8. If no, specify the size of the non-affected part:	m²

2. GENERAL INFORMATION ON AFFECTED PROPERTY (PLOT)

2.1. Total size:	m²

2.2. Location of the cadastral plots, total number per location and cadastral reference

Location	Total number of cadastral plots	Cadastral plot reference	Current use *Tick applicable use*
1.			Mainly residential Mainly agricultural Forest Pasture Mainly business Unused
2.			Mainly residential Mainly agricultural Forest Pasture Mainly business Unused

3. AGRICULTURAL ACTIVITIES

3.1. Crops observed on the affected part of the plot at the time of the survey: _____

3.2. Perennial / annual species: _____

3.3. If perennial: Year of plantation: _____

3.4. Average yield on this plot according to farmer: _____ (specify measurement unit)

3.5. Overall land holdings of the farmer, including this plot and all others: _____ hectares
Including farm lands, pastures, forests, arid and unused land – Include all land available to the farmer regardless of ownership

3.6. Of which farmed this year: _____ hectares

4. GENERAL INFORMATION ON AFFECTED STRUCTURE

4.1. Detached building: YES / NO	
4.2. Apartment in a larger house: YES / NO	
4.3. Apartment in a building: YES / NO	
4.4. House: YES / NO	
4.5. Outside dimensions (main building) m x m	
4.6. Built in year:	
4.7. General condition (main building):	Exterior: Interior: *1: new or very good* *2: fair* *3: poor* *4: ruin, unusable*

4.8. Auxiliary structures		**4.9. Build of solid materials**
Summer kitchen		YES NO
Garage		YES NO
Pantry		YES NO
Stall		YES NO
Other (specify):		YES NO
Other (specify):		YES NO

Tick applicable box

5. OWNERSHIP ISSUES

5.1. Owner: Yes No

5.2. User: Yes No

5.3. Ownership details		
With fully registered title		
Legalization in progress		What stage is the legalization process in:
Formal lease of public property		Owner
Formal lease of private property		Owner (contact details):
Informal lease		Owner (contact details):
Fully informal		How did the owner take possession of the above mentioned plot?
Shared ownership YES / NO		If yes, name other co-owners:

Tick applicable box

6. GENERAL INFORMATION ON AFFECTED HOUSEHOLD MEMBERS

6.1. Information on household members

	Name and surname	Relationship with	Year of	Gender	Occupation	Education

		Head of Household	Birth				(degree of vocational education)
1	HH	HH		M	F		
2				M	F		
3				M	F		
4				M	F		
5				M	F		

7. VULNERABILITY

7.1 Is any of the household members suffering from one of the following problems:		**7.2. Social benefits (yes or no, if yes which kind of assistance)**
Physical handicap		
Mental handicap		
Chronic disease requiring regular medical attention		
Chronic disease requiring hospitalization		
unemployed or without regular income		
Elderly and/or elderly and single		
Member of ethnic minority (e.g. Roma)		
Other problem (specify)		

Indicate the number of affected household members in section 2 in the relevant table

8. AFFECTED HOUSEHOLD (HOUSING)

8.1. How long have you been living here (year when you settled here):
8.2. Where did you live before?
8.3. Under what circumstances did you settle here?

9. SOCIO-ECONOMIC DETAILS ABOUT THE AFFECTED HOUSEHOLD

9.1. Total household income

Which of the following categories does the average total monthly income of your whole household fall in:	
Less than 500 KM	
Between 500 and 1,000 KM	
Between 1,000 and 1,500 KM	
More than 1,500 KM	

In case there are several household members earning the income, please consolidate them together

Amongst the following, what are your main sources of income:			
Salaries		Pensions	
Personal agricultural production		Government or other assistance	
Small business		Other (specify):	
Remittances		Other (specify):	

(1: highest, 2 second highest, etc… – 0: not significant or not applicable)

9.2. Are you satisfied with your economic situation?

Highly satisfied	
Satisfied	
Neither satisfied nor dissatisfied	
Dissatisfied	
Highly dissatisfied	

Tick applicable box

10. DISPLACEMENT

10.1. What do you envision your main problems will be if you end up being affected by the project implementation?

Loss of livelihood			Loss of social connections		Loss of property		Other (specify):	
Male member of the								

household								
Female member of the household								

(1: most important, 2 second most important, etc. – 0: not significant or not applicable)

11. COMPENSATION PREFERENCES

11.1. Resettlement (relocation to another house in an unaffected area) YES / NO

10.2. What would be most important for you in the selection of a resettlement location (please rank)?

	Proximity to schools	Proximity to health care centers	Proximity to relatives	Proximity to social networks (specify)	Proximity to place of work
Male member of the household					
Female member of the household					
	Other (specify):	Other (specify):	Other (specify):	Other (specify):	Other (specify):
Male member of the household					
Female member of the household					

(1: most important, 2 second most important, etc. – 0: not significant or not applicable)

10.3. Compensation in cash YES / NO

10.4 Do you have another house that you could relocate to? YES / NO

QUESTIONNAIRE FOR LANDOWNERS

Questionnaire number	

Survey date	
Surveyor's name and surname:	

Municipality:	
Location:	
Address:	
Cadastral plot reference:	
Photograph of affected property (number):	
Whole plot affected: YES / NO	
If no, specify the size of the non-affected part: m^2	

1. GENERAL INFORMATION ON THE RESPONDENT

1.1. Respondent's name and surname:

1.2. Owner or user of land plot:
1.3. Ethnic group:
1.4. Phone number:

2. GENERAL INFORMATION ON AFFECTED PROPERTY (PLOT)

2.1. Location of the plots, total number per location and cadastral reference

Location	Total number of plots	Cadastral plot reference	Current use *Tick applicable use*
1.			Arable land Forest Pasture Unused
2.			Arable land Forest Pasture Unused

3. OWNERSHIP ISSUES

3.1. Owner: Yes No

3.2. User: Yes No

3.3. Ownership details		
With fully registered title		
Legalization in progress		What stage is the legalization process in:
Formal lease of public property		Owner
Formal lease of private property		Owner (contact details):
Informal lease		Owner (contact details):
Fully informal		How did the owner take possession of the above mentioned plot?
Shared ownership YES / NO		If yes, name other co-owners:

Tick applicable box

4. AGRICULTURAL ACTIVITIES

4.1. Crops observed on the affected part of the plot at the time of the survey: _____

4.2. Perennial / annual species: _____

4.3. If perennial: Year of plantation: _____

4.4. Average yield on this plot according to farmer: _____ (specify measurement unit).

4.5. Overall land holdings of the farmer, including this plot and all others: _____ hectares

Including farm lands, pastures, forests, arid and unused land – Include all land available to the farmer regardless of ownership.

4.6. Of which farmed this year: _____ hectares

5. INCOME FROM AGRICULTURAL ACTIVITIES

5.1. Do you sell crops _____

5.2. If yes, what is your average annual income generated by selling crops:_____

5.3. Do you use crops to meet your own needs (consumption): _____

5.4. Did you have any plans referring to the affected part of the plot? YES or NO

5.5. If YES, what were your intentions? _____

6. COMPENSATION PREFERENCES

6.1. Compensation in cash YES / NO

6.2. Would you prefer plot for plot exchange? YES/NO

6.3. Would you buy another property instead of this land plot? YES/NO

QUESTIONNAIRE FOR BUSINESSES

Questionnaire number	

Survey date:	
Surveyor name:	

Municipality:	
Location:	
Address:	
Cadastral plot reference:	
Photograph of affected property (number):	

1. GENERAL INFORMATION ON THE SURVEYEE (REPRESENTATIVE OF THE BUSINESS ENTITY CONCERNED)

1.1. Respondent's name and surname:
1.2. Position the respondent holds within the business entity:
1.3. Ethnic group:
1.4. Phone number:
2. GENERAL INFORMATION ON AFFECTED BUSINESS ENTITY 2.1. Type of business activity:
2.2. Year of establishment:
2.3. Owner (co-owner):
2.4. Legal form of the business entity:
2.5. Business entity is formally registered: YES / NO
2.6. Is the structure where business entity operates, legalized? YES / NO (if not, clarify _____)

2.7. Number of full time employees: _____ and number of part-time employees: _____

3. INFORMATION ON BUSINESS INCOME

3.1. In average, over the last three years:

Total income (KM annually)

Note: If the business entity has been operating for less than 3 years, provide information for the last year.

4. COMPENSATION PREFERENCES

4.1 What do you envision your main problems will be if you end up being affected by the project implementation?

Loss of customers (business)		Obstruction of business activities due to works		Equipment damages		Other (specify):	

(1: most important, 2 second most important, etc. – 0: not significant or not applicable)

4.2 What would be the most appropriate type of compensation for you?

12. APPENDIX 4 - PUBLIC GRIEVANCE FORM AND CONTACT INFORMATION

Public Grievance Form

Reference No:	
Full Name (optional)	
Contact Information **Please mark how you wish to be contacted (mail, telephone, e-mail).**	☐ **By Post: Please provide mailing address:** _____ _____ _____ • **By Telephone:** _____ • **By E-mail** _____
Description of Incident or Grievance:	What happened? Where did it happen? Who did it happen to? What is the result of the problem?
Date of Incident/Grievance	
	☐ **One time incident/grievance (date _____)** ☐ **Happened more than once (how many times? _____)** ☐ **On-going (currently experiencing problem)**
What would you like to see happen to resolve the problem?	

Signature: _____

Date: _____

Please return this form to:
Attention: Ermin Hadžimehmedagić
Department for Designing and Construction
PC Motorways
Postal Address: Dubrovačka 6, 71000 Sarajevo
Telephone: +387 33 277 900
E-mail address: h.ermin@jpautoceste.ba

13. APPENDIX 5 – IMPLEMENTATION RESPONSIBILITIES

Group of Tasks	PIU's Responsibilities	Municipalities' Responsibilities
Develop LARPs and Expropriation Studies	- Amend as appropriate and approve this LARF - Prepare LARPs for each component or hire and contract consultants to prepare LARPs - Hire and contract consultants to prepare Expropriation Studies for each component - Supervise consultants and monitor their progress - Review draft LARPs and provide comments to consultants - Develop Municipalities' awareness of LARF AND LARPs requirements - Organise disclosure of LARF and LARPs - Hire compliance auditor acceptable to the EBRD, as needed	- Participate in preparation of LARPs (census) and Expropriation Study by providing consultants with cadastral documentation and with support in identifying owners - Participate in consultants' efforts to identify "legalisable" informal properties and help to identify legal steps required to legalise them - Participate in consultation meetings held within the LARP preparation process - Participate in identification of vulnerable people - Support consultants' effort in identifying resettlement sites and/or replacement properties - Disclose LARP on Municipality's website
Prepare for LARP implementation	- Appoint Compensation & Resettlement Coordinator accountable to the Project Coordinator - Staff the PIU's LARP implementation unit per description in section 8.3 of this document - Make sure monies are earmarked in the FBiH budget per provisions in section 8.4 of this document	- Disclose expropriation study within the territory of the Municipality - Prepare and approve Declaration of Public Interest at Municipality level - Launch and implement legalisation process for those properties that are "legalisable" - Ensure personnel, material and technical conditions for efficient work of cadastral department to legalise properties as a priority and update the cadastre data accordingly - Inform owners that the expropriation process has been initiated
Implement expropriation process	- Make sure applicable legal framework is passed in due time by Municipalities and/or Cantons (Declaration of Public Interest) - Provide Municipalities with relevant expropriation documentation, including lists of properties to expropriate and relevant details derived from the Expropriation Study and census - Prepare and implement the first stage of the expropriation process and embark into amicable negotiations - Document situations where no amicable agreement can be reached - Support and coordinate Municipalities' effort in implementing expropriation - Pay compensation or provide replacement properties per provisions of the Expropriation Law and this document	- Check that land records are consistent with actual ownership and that legalisation has been completed where applicable - Trigger the second stage of expropriation process per Expropriation Law where no amicable agreement can be reached with the Expropriation Beneficiary - Notify the expropriation proposal and hold a second round of amicable negotiations - Take the expropriation decision according to Article 27 of the Expropriation Law - In situations where no agreement can be reached, hand over related files with all necessary documentation to competent Court immediately after failure of negotiations

Group of Tasks	PIU's Responsibilities	Municipalities' responsibilities
Provide assistance vulnerable people	- Make sure monies are earmarked per provisions in section 8.4 of this document to take care of assistance to vulnerable people - Make sure vulnerable people are identified when developing LARPs - Make sure vulnerable people are provided assistance - Maintain a simple database of vulnerable people, where all activities are kept track of	- Participate in the identification of vulnerable people and make related information available to implementing agency - Participate in the identification of specific assistance measures needed for vulnerable people - Participate through Municipal Bureaus of Social Welfare to the implementation of activities intended for vulnerable people
Consultation	- Coordinate consultation activities delivered by consultants in charge of preparing LARPs (if consultants are hired) - Centralise the documentation (minutes of meetings) associated with consultation activities	- Facilitate the organization and delivery of consultation activities outsourced to consultants in charge of preparing the LARPs
Monitoring, Reporting & Evaluation	- Generate periodic indicators and reports based on Chapter 7 of this document - Organise evaluation activities per Chapter 7 of this document - Hire Compliance Auditor as needed, review his/her reports, and ensure that his/her recommendations are implemented as appropriate	- Deliver Municipality level information required by the PIU in respect of indicators and reports
Grievance management	Put in place and maintain a simple database to keep track of all grievances Grievance procedures will be implemented in accordance with legal regulations and this LARF	- Disclose Public Grievance Form on the Municipality's website

During the implementation of this Land Acquisition and Resettlement Framework, the responsibilities of the municipalities, which are listed in the above table, shall be harmonized with the relevant legal regulations that stipulate the obligations and responsibilities of municipalities during the expropriation process.