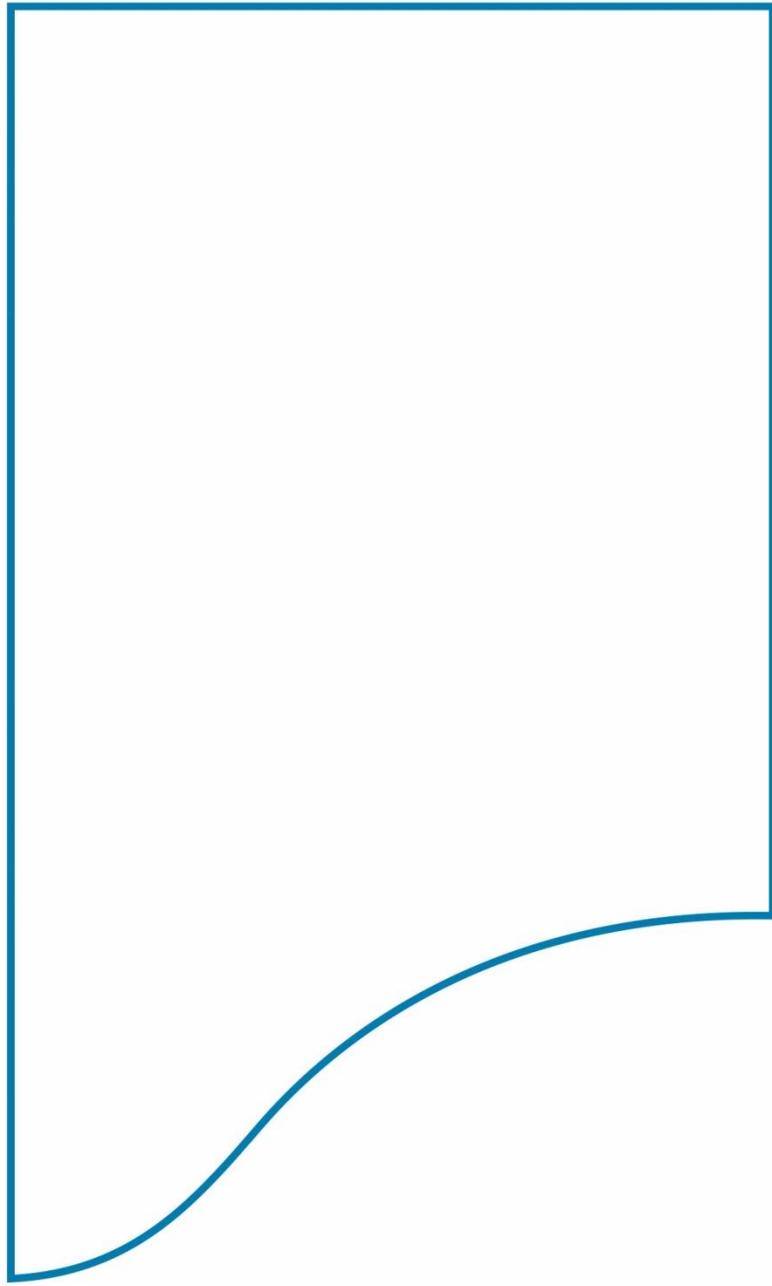




LAND ACQUISITION AND RESETTLEMENT ACTION PLAN



ODRA - VISTULA FLOOD MANAGEMENT PROJECT



Projekt Ochrony
Przeciwpowodziowej
w Dorzeczu Odry i Wisły



Państwowe
Gospodarstwo Wodne
Wody Polskie



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LAND ACQUISITION AND RESETTLEMENT ACTION PLAN

FINAL

ODRA – VISTULA FLOOD MANAGEMENT PROJECT

ENVIRONMENTAL CATEGORY B – ACCORDING TO OP 4.01 WB

COMPONENT 3:
FLOOD PROTECTION OF THE UPPER VISTULA

SUB-COMPONENT 3D:
Passive and Active Protection in San Basin

CONTRACT 3D.3:

Łęg IV – extension of the left river embankment at chainage km 0+082 – 5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000 – 5+236 within the Commune of Gorzyce.

ISSUE	DATE	AUTHORS	CLIENT'S APPROVAL	DESCRIPTION
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1. List of abbreviations applied in this document.

Name	Description
Project/Task/Contract 3D.3	Title of Contract/Works Contract/Task - Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce
World Bank (WB)	International Bank for Reconstruction and Development (IBRD)
PCU / OVFMPCU	Odra-Vistula Flood Management Project Coordination Unit
CEB	Council of Europe Development Bank (CEB)
RLB	Register of land and buildings – a register containing data, which e.g. form a basis for business planning, spatial planning, assessment of tax and benefits, designation of properties in a mortgage register, register of farms
GIS	Geographic Information System - a terrain information system comprising a database with terrain information pertaining to a given area as well as procedures and techniques for systematic capturing, updating and presenting data.
CSO	Central Statistical Office (GUS)
Consultant/Engineer/Contract Engineer	Company or legal person providing Technical Assistance Consultant services for the Investor for the OVFM Project – AECOM Polska Sp. z o.o.
PIO	Project Implementation Office – a separate organizational unit created within PIU responsible for the implementation of the Project
PIU / Employer / Investor	PGW Polish Waters – Regional Water Management Authority in Rzeszów - Odra-Vistula Flood Management Project (OVFMP) Implementation Unit
LA&RAP	Land Acquisition & Resettlement Action Plan
LARPF	Land Acquisition & Resettlement Policy Framework
OP 4.12	Operational Policy 4.12 – World Bank's Involuntary Resettlement
PAP	Project Affected Person (-s)
EMP	Environmental Management Plan
OVFMP	Odra-Vistula Flood Management Project
PGW WP RZGW	State Water Holding Polish Waters Regional Water Management Authority in Rzeszów
Property appraiser / expert	A physical person with state professional qualifications within the scope of property valuations
Contractor	Company/legal person implementing Works Contract 3D.3
PAC	Provincial Administrative Court
SAC	Supreme Administrative Court
IPIP Decision, IPIP	Decision on the Investment Project Implementation Permit (IPIP) issued based upon the Special Flood Act
APC	Code of Administrative Procedure

2. List of abbreviated titles of legal acts referenced in this LA&RAP

Titles, publication reference and abbreviated titles of legal acts quoted within contents of this LA&RAP are given in the table below.

Abbreviated title	Full title (with publication reference)
Constitution	Constitution of the Republic of Poland of April 2, 1997 (OJ of 1997, No. 78, item 483, as amended)
CC	Act of April 23, 1964 Civil Code (consolidated text: Journal of Laws of 2019, item 1145 as amended)
APC	Act of June 14, 1960 Code of Administrative Procedure (consolidated text: Journal of Laws of 2020, item 256 as amended)
Special Act	Act of July 8, 2010 on specific terms of preparing for implementation of projects in the scope of flood protection facilities (consolidated text: Journal of Laws of 2019, item 933 as amended)
RPMA	Act of August 21, 1997 on real property management (consolidated text, Journal of Laws of 2020, item 1990)
UROD	Act of December 13, 2013 on family allotment gardens, (consolidated text, Journal of Laws of 2017, item 2176, as amended)
UPIZP	Act of March 27, 2003 on the spatial planning and management (consolidated text: Journal of Laws of 2020, item 293 as amended)
Regulation on land register	Regulation of the Minister of Regional Development and Civil Engineering on the register of land and buildings (consolidated text: Journal of Laws of 2019, item 393, as amended)
Regulation on evaluation	Regulation of the Council of Ministers of September 21, 2004 on the evaluation of properties and development of estimates; (Journal of Laws of 2004, No. 207, item 2109 as amended)
UDP	Act of March 21, 1985 on the public roads (consolidated text: Journal of Laws of 2020, item 470 as amended)
UOOŚ	Act of October 3, 2008 on access to information on the environment and its protection, public participation in environment protection and environmental impact assessments (consolidated text: Journal of Laws of 2020, item 283 as amended)
UOP	Act of April 16, 2004 on the nature protection (consolidated text: Journal of Laws of 2020, item 55 as amended)
Act on heritage protection	Act of July 23, 2003 on the protection of heritage and on the care for heritage (consolidated text: Journal of Laws of 2020, item 282 as amended)
EPL	Environment Protection Law Act of April 27, 2001 (consolidated text: Journal of Laws of 2020, item 1219 as amended)
UPB	Act of July 7, 1994, Construction Law (consolidated text: Journal of Laws of 2020, item 1333 as amended)
Water Law Act, UPW	Act of July 20, 2017 – Water Law, (consolidated text: Journal of Laws of 2020, item 310 as amended)
Equal Treatment Act	Act of December 3, 2010 on implementation of some regulation of the European Union in reference to equal treatment (consolidated text: Journal of Laws of 2016, item 1219 as amended)

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4. Key definitions

The following key definitions are used in this document:

Property price – an amount negotiated with the property owner to its benefit for a respective property or any part thereof, based on the value of the said property estimated by an authorized property appraiser. Property price compensation will be no less than cost to replace lost asset without depreciation of asset due to age, condition, or any other factor relating to asset.

Cut-off date – a date when an inventory of assets and a register of project affected persons were completed. Persons who will occupy the area where the Project is implemented after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Similarly, there will be no compensation for fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the date of completion of the survey or after mutually agreed on a date.

Economic relocation – loss of over 20% of agricultural land where PAP income is largely based on agriculture.

Physical relocation – loss of home or commercial structures, such as shops or workshops, or structures needed for income-earning.

Groups requiring the provision of special assistance (socially sensitive groups) – people who due to their: sex, ethnic membership, age, mental or physical disability, difficult material situation or social position are more exposed to adverse resettlement effects than other groups and who may have a limited possibility of submitting their complaints or using assistance in resettlement or participating in the benefits connected with the project.

Resettlement cost – the extent of compensation for lost goods/properties covering a replacement value of such goods/properties as well as the cost of resettlement and associated resettlement activities.

Social impact – in view of OP 4.12 social impact related to the resettlement is any direct loss, economic or social, resulting from expropriation, permanent constraints in use of the property or access to the property.

Compensation – paid in money or in the form of a property which is a replacement for the properties and assets acquired or affected by the Project. Such compensation is paid out at the time when the respective property must be released by the owner to PGW WP RZGW in Rzeszów. Pursuant to Polish law, compensation can be paid out from the time when expropriation decision (here: IPIP), as a rule, becomes final and in all the cases – prior to the acquisition of such property or its occupation for construction purpose.

OP 4.12 Involuntary resettlements - the Operational Policy containing the main principles and procedures which constitute the basis for the IBRD approach to involuntary resettlement related to investment projects.

Project affected person (PAP) – every person who, as a result of the project implementation is deprived of the right of ownership or loses other benefits connected with the property (residential, agricultural or breeding), loss of annual or multiannual harvests and crops or other related or moveable assets, in whole or in part, permanently or periodically. PAPs may also include local community members, or other citizens, also impacted by project activities.

Private person – in jurisprudence, a natural person is a human being, from birth until death.

Legal person - legal persons are the State Treasury and organizational units, that the specific provisions grant legal personality to.

Income – any money received i.e. pensions, job salaries, etc. as well as property increment obtained as a result of business activities or agricultural activities from the property, including the sale of such property.

Involuntary resettlement – a resettlement is involuntary when it is carried out without the consent of a person(s) being resettled (against its will) or as a result of expressing such consent involuntarily (without a possibility of expressing its objections towards resettlement), e.g. through expropriation.

Land Acquisition and Resettlement Policy Framework (LARPF) – a document approved by the World Bank, on the basis of which this Land Acquisition and Resettlement Action Plan is established. Based on the LARPF, a formal project framework for land acquisition was defined. All land acquisition activities, both permanent and temporary occupation, will be implemented in accordance with the procedures set out in Polish law, Bank's operating policy OP 4.12 and LARPF.

Value of expenses – amount due to the user for expenses borne, as negotiated with the person bearing expenses on the property, or amount basing upon the value of expenses determined by a certified appraiser.

Replacement value - compensation for the loss of assets is based on their replacement/market value plus any transaction costs (e.g. taxes and registration fees) and the objective is for the compensation to be enough to effectively replace the affected asset (replacement value). Replacement value is the amount needed to replace lost assets without taking into account the depreciation of assets due to age, condition or other asset-related factor.

Expropriation – depriving of or restricting an ownership right to a specific property of person(s) under an individual legal act.

Purchase/voluntary sale – acquisition of the rights to the property from its owner / possessor for a mutually agreed price in a situation where such an owner has the right to refuse such a transaction (i.e. willing purchaser / willing seller). In the event of an expropriation, such a purchase is not deemed voluntary.

Real estate assets (according to the RPMA) – public property was sanctioned by the legislator in Article 20 of the RPMA. Assets have been divided according to the ownership. State Treasury properties (Art. 21 and 21a of the RPMA) and assets of different types of local government units - Commune (Art. 24 of the RPMA), District (Art. 25a of RPMA) and Province (Art. 25c of the RPMA) have been distinguished.

The provision of Art. 20 of the RPMA does not apply to real estate assets of the owners other than those mentioned herewith.

The terms which are used in LA&RAP: property - real estate – plot - land, are used interchangeably depending on the context. Terms are used in accordance with the following legal acts:

- CC – property, real estate;
- RPMA – real estate, land plot;
- the Regulation on land register – property, cadastral plot (abbreviated in LA&RAP – plot) and
- Operational Policy 4.12 – land.

5. Introduction

The Land Acquisition and Resettlement Action Plan (LA&RAP) is a document that particularizes and gives concrete form to the activities to be taken in the field of acquiring a title for a property and resettlement for the proper and effective implementation of investment tasks. This document has been prepared for the task 3D.3. Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce.

The LA&RAP was elaborated in the fourth quarter of 2020. At the date of its elaboration, the key elements related to the preparation of the investment, purchase of land or payment of compensation were completed. The acquisition of properties before the starting of the procedure for the publication of the LA&RAP took place in accordance with the operational policy OP 4.12 and in accordance with the rules laid down in the LARPF. The aforementioned task is a part of Subcomponent 3A implemented within the Odra-Vistula Flood Management Project (OVFMP). The OVFMP Project is co-funded by the International Bank for Reconstruction and Development (World Bank) (loan agreement no. 8524 PL of September 10, 2015), Council of Europe Development Bank (CEB) (frame loan agreement no. LD 1866 of May 24, 2016), European Union's Cohesion Fund, and the State Budget.

The objective of OVFMP is enhancement of the flood protection level for people living within selected areas of the Odra River-Basin and of the Upper Vistula Basin in case of summer floods and winter floods, and rapid floods. The implementation of Works Contract 3D.3 also meets that objective, the task of which is the provision of flood protection through the extension of the embankments of the Łęg River at the following chainage: km 0+000 to km 5+236 of the right embankment and km 0+082 to km 5+030 of the left embankment. The above activity is necessary to improve flood safety, protect the inhabitants, and limit flood damage in the area of the Gorzyce commune.

5.1. Odra-Vistula Flood Management Project (OVFMP).

The main objective of OVFMP is protection of people in the flood areas of selected parts of basins of two biggest rivers in Poland – Vistula and Odra – against summer floods and winter floods and rapid floods.

The OVFMP Project consists of the following 5 Components:

- Component 1 – Flood Protection of the Middle and Lower Odra;
- Component 2 – Flood protection of the Nysa Kłodzka Valley;
- Component 3 – Flood Protection of the Upper Vistula;
- Component 4 – Institutional Strengthening and Enhanced Forecasting;
- Component 5 – Project Management and Studies.

Component 3, under which the Works Contract being the subject of the LA&RAP is being implemented, is divided into the following 4 Subcomponents:

- Subcomponent 3A – Flood Protection of Cracow and Wieliczka;
- Subcomponent 3B – Protection of Sandomierz and Tarnobrzeg;
- Subcomponent 3C – Passive and Active Protection in Raba Sub-basin;
- Subcomponent 3D - Passive and active protection in the San river basin.

The following units will be responsible for implementation of Subcomponent 3D:

- State Water Holding Polish Waters Regional Water Management Authority in Cracow
- State Water Holding Polish Waters Regional Water Management Authority in Rzeszów (for Tasks 3D.1 and 3D.3).

5.2. Location of the Project.

The Works Contract 3D.3 implementation area is located in Poland, Podkarpackie Province, in the area of the Gorzyce Commune (District of Tarnobrzeg), within the boundaries of four registration areas: area 2 – Gorzyce, area 4 – Sokolniki, area 7 – Zalesie Gorzyckie, area 8 – Orliśka. The area includes the estuarine section of the Łęg River - the right tributary of the Vistula, belonging to the Upper Vistula Water Region. It is located within the area administered by the Regional Water Management Authority in Rzeszów, Drainage Basin Administration in Stalowa Wola. The estuarine section of the Łęg runs from south-east to north-west and then from south to north between the towns of Gorzyce in the east, Orliśka in the south, Sokolniki in the south-west, Trześń in the west and Zalesie Gorzyckie in the north-west. The length of the section of the Łęg River along which the project will be implemented is about 5 km. The length of the embankments planned to be extended is 10,184 m (left embankment - 4,948 m, right embankment - 5,236 m). The location of Works Contract 3D.3 is presented in the figure below (Fig. 1 and 2).

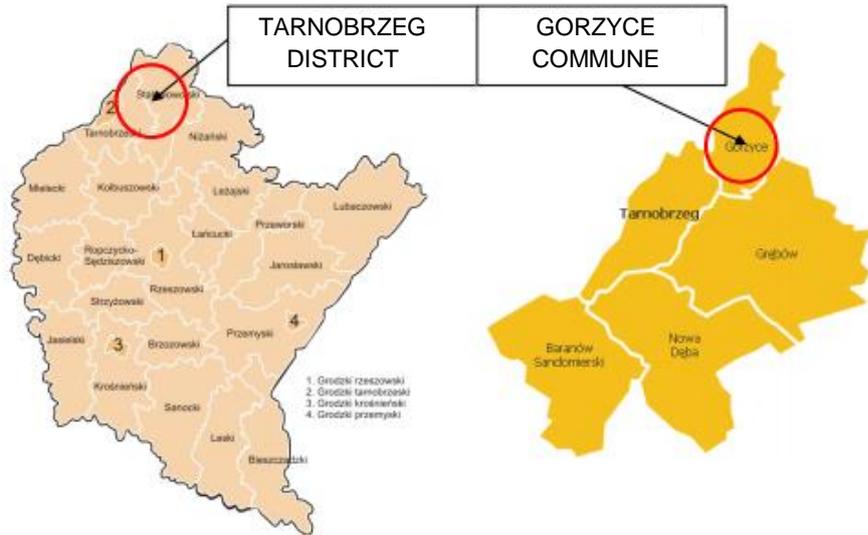


Fig. 1 Location of Project 3D.3 (source: construction design by WTU Sp. z o.o. based in Cracow)

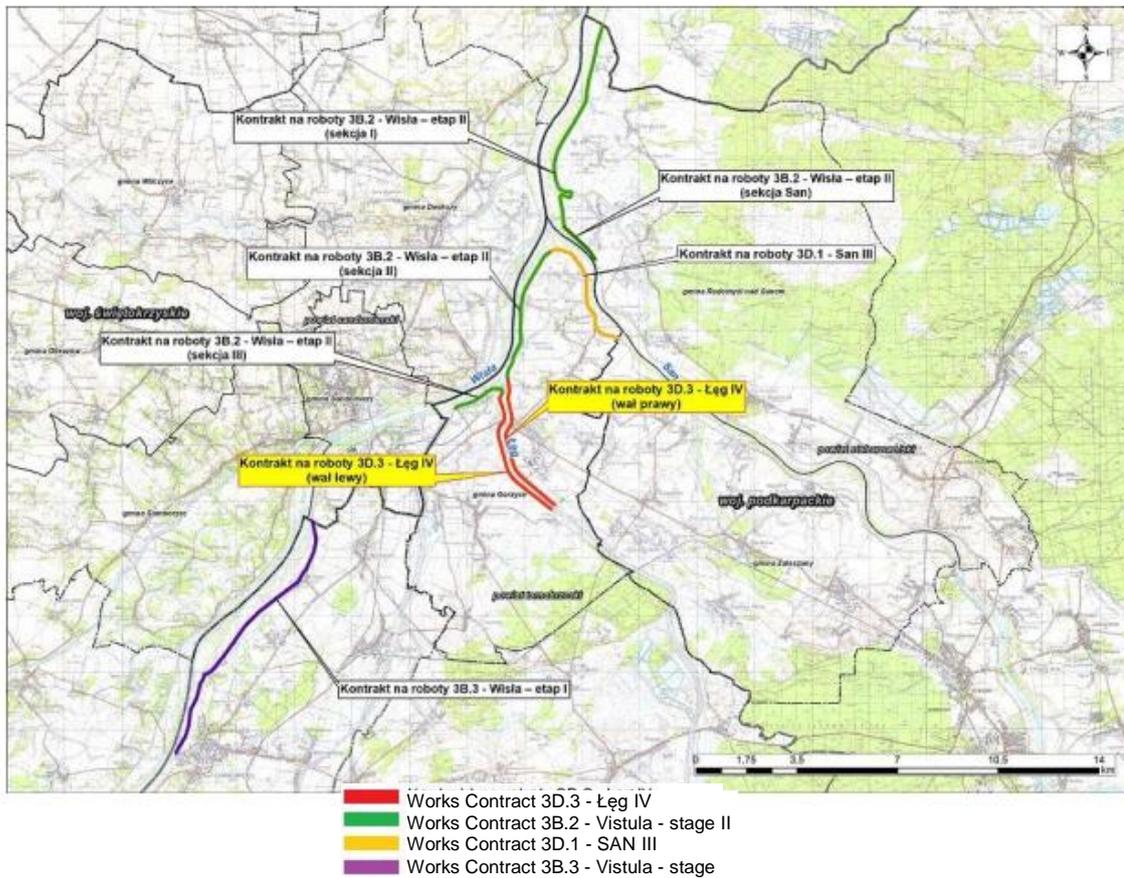


Fig. 2 Location of Project 3D.3 (source: Consultant's own study).

5.3. Scope of works to be carried out under the Contract.

The Works Contract 3D.3 concerns the extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce (altogether 10,184 m of the length of the embankments). The Contract 3D.3 is fully complementary to Contract 3B.2 and Contract 3D.1, and together with them it concerns the strengthening of the flood protection system in the Vistula river basin by improving and upgrading the technical condition of flood protection infrastructure. The Works Contract 3D.3, the subject of which is the extension of the left and right embankment of the Łęg river, complements the actions taken by PGW WP RZGW in Rzeszów in scope of flood protection of the Vistula valley.

According to the valid bidding documents, the planned Contract's implementation time is about 24 months.

The extension of the embankments of the Łęg River will be carried out on the following sections: km 0+000 to km 5+236 of the right embankment and km 0+082 to km 5+030 of the left embankment. The scope of Works Contract 3D.3 comprises the following elements:

- raising the existing crest of embankments;
It is planned to raise the existing crest of the embankment to the ordinates of 1.0 m above the level of the authoritative water table (Q1%) and also to the ordinates of 0.3 m above the level of the control water table (Q0.3%). The left embankment is planned to be raised between 0.4 m and 1.6 m, while the right embankment is planned to be raised between 0.5 m and 1.4 m above the existing level.
- changing the geometry of the embankments' cross-section;
The crest of the left embankment of the Łęg River will be raised mostly (4,362 m) by superstructure of the downstream slope (relocating the crest towards the area beyond the embankment), while the raising of the crest of the right embankment will be implemented mostly (5,087 m) by superstructure of upstream slope (relocating the crest towards the embanked area). Along the short sections of both embankments (311 m of the left embankment and 141 m of the right embankment), the crest will be raised in the axis of the existing embankment. In this way, the storage capacity of the embanked area will be maintained.
- compacting and sealing the body of embankments and their subsoil;
Under the Works Contract 3D.3, the existing body of the embankment will be compacted with vibrating rollers and the slopes will be compacted with vibrating plates after removing in prior the 0.2 m thick topsoil layer. The new embankment will be made using the soils indicated in the design, by building in layers with their simultaneous compaction. The benching of the existing slopes of the embankment will be made for a better connection of the existing embankment

with the new embankment.

The compacting and sealing the body of embankments and their subsoil will reduce the risk of their washout, weakening of the structure and interrupting the continuity under the influence of flood water pressure. A leachate drainage in the form of a drainage stone made every 20 m will be constructed on the downstream side of the extended left embankment. On the downstream slope, the place where the drainage outlet is located will be secured with a mesh and stone mattress.

- reconstruction of flood protection infrastructure (including locks, culverts, embankment crossings) and construction of a technological road
 - reconstruction of four embankment locks - it is planned to reconstruct four embankment culverts (locks): 1 facility on the left embankment in km 1+006 and 3 facilities on the right embankment in km 0+965, km 1+605 and km 2+087;
 - reconstruction of the outlet abutment from the Gorzyce sewage treatment plant located at the right embankment - the pipeline from the Gorzyce sewage treatment plant located at km 3+840 of the right embankment is planned to be extended together with strengthening of both slopes of the embankment in the outlet area;
 - reconstruction of the amelioration pumping station located at the left embankment, (in particular reconstruction of the inlet channel on a section with a length of approx. 100 m, reconstruction of the equalizing tank, replacement of pumping sets with new ones of higher capacity, construction of the sluice structure, correction and reinforcement of the outlet channel to the Łęg River);
 - reconstruction and construction of embankment ditches – the existing embankment ditches along the right bank are planned to be reconstructed in two sections at km 0+449.1-1+446 (length of 997.1 m) and km 1+893.1-2+450 (length of 557.4 m), and also: desilting, levelling of the vertical alignment of the longitudinal profile and cross-section of the ditch (tributary of the Łęg River) at km 1+006 of the left embankment, at the length of 121.0 m and strengthening of the bottom and slopes of the ditch with lattice plates at the length of 5.0 m and reconstruction of the ditch (a tributary of the Łęg River) at km 3+840 of the right embankment at a length of 26.0 m, strengthening the bottom and slopes of the ditch with lattice plates at a length of 5.0 m and with rip-rap and stone mattresses at a length of 21.0 m.
 - construction of culverts under flood roads - under the flood roads along the right embankments, six culverts will be constructed;
 - reconstruction of embankment crossings - 26 embankment crossings (13 on the left and 13 on the right embankment) and reconstruction or construction of new descent roads with a lane width of 3.0–3.5 m in places of existing traffic facilities is planned;
- construction of technological roads;

Technological roads will be constructed as temporary roads used at the stage of investment implementation, which will include the following sections of existing public roads, as well as new, reinforced temporary roads:

- reconstruction of the HV-110kV overhead power line Gorzyce – Ożarów.
- reconstruction of the 15kV overhead medium voltage line Trześń – Stalowa Wola.
- development of the crest and slope of embankments will include the development of the crest and slope of planned embankments, cleaning up the site by, among other things, constructing ramps, installing hectometer posts and executing dam gates.

5.4. Administrative permits for investment implementation.

The project has obtained the permits required by law to commence construction works. In particular, an environmental impact assessment was carried out, ended with issuing an administrative decision specifying the environmental conditions for the execution of the project and a building permit was obtained (here: investment project implementation permit for flood protection structures), which entitles the investor to commence construction works. A detailed description of the administrative permits obtained is presented below.

Environmental matters:

- EIA Report*
 - 08/2016 Project's environmental impact report "Łęg IV – extension of the left embankment at km 0+000-5+000 in the Gorzyce commune and the right embankment at km 0+000-5+200 in the Gorzyce commune", WTU Sp. z o.o., Rzeszów,
- environmental decision*
 - 08/18/2017 decision of the Regional Director for Environmental Protection in Rzeszów ref. no.: W00Ś.4233.4.2015.MG.65 on environmental conditions for the project titled "Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce", issued at the request of the Podkarpackie Province Marshal, final as of September 21, 2017.
 - 03/23/2018 decision of the Regional Director for Environmental Protection in Rzeszów ref. no.: W00Ś.420.22.3.2018.MG.2 transferring to the PGW Polish Waters with the registered office in Warsaw the rights and obligations from the decision of

08/18/2017 on environmental conditions for the above-mentioned project; final as of April 9, 2018.

- water-law permit*
 - 12/28/2017 decision of the Świętokrzyskie Province Marshal no. OWŚ-VII.7322.50.2017 granting the Podkarpackie Province Marshal the water-law permit (raising, widening) of the left embankment of the Łęg river at km 0+082 – 5+030 with the facilities connected functionally in the towns of Gorzyce, Sokolniki, Orliśka, Zalesie Gorzyckie, Gorzyce commune, Podkarpackie Province, and extension (raising, widening) of the right embankment of the Łęg river at km 0+000 – 5+236 with the facilities connected functionally in the towns of Gorzyce, Sokolniki, Orliśka, Zalesie Gorzyckie, Gorzyce commune, Podkarpackie Province, final as of February 2, 2018.
- environmental management plan
 - 09/2020 Environmental Management Plan for OVFMP – Subcomponent 3D – Works Contract 3D.3: Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce, developed by Consultant Aecom Polska Sp. z o.o. at the request of PGW WP RZGW Rzeszów;

**From 12/31/2018 the Investor for the Contract was the Marshal of Podkarpackie Province (Podkarpacki Board of Amelioration and Water Structures in Rzeszów). In accordance with the Act of July 20, 1997 – Water Law – the related tasks were taken over by the State Water Holding Polish Waters*

Proceeding for the issue of the construction permit

- construction design
 - 03/2019 Developed by the design works contractor WTU Sp. z o.o. based in Cracow for the task: Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce.
- decision on the flood protection investment project implementation permit;
 - 08/28/2019 decision of the Province Governor of Podkarpackie no. N-VIII.7820.3.4.2019 on the flood protection investment project implementation permit titled “Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at

chainage km 0+000-5+236 within the Commune of Gorzyce” in favor of the State Water Holding Polish Waters based in Warsaw; final as of October 4, 2019;

- 12/11/2019 decision of the Province Governor of Podkarpackie no. N-VIII.7820.3.4.2019 on rectification of obvious mistakes in the Governor's decision of 28.08.2019.
 - 04/07/2020 decision of the Province Governor of Podkarpackie no. N-VIII-7820.3.1.2020 after conducting, *ex officio*, the renewal proceedings (pursuant to Art. 145 § 1(5) APC) in the case concluded with the decision of the Province Governor of Podkarpackie no. N-VIII.7820.3.4.2019 of 28.08.2019 (the decision was partially revoked and ruled on the merits of the case with regard to the properties necessary to carry out the investment);
 - 05/26/2020 decision of the Province Governor of Podkarpackie no. N-VIII.7820.3.4.2019 on rectification of obvious mistakes in the Governor's decision of 08/28/2019.
- reconstruction of the 15kV overhead medium voltage line Trześń – Stalowa Wola is at the stage of obtaining the administrative decision;

Performance of construction works

- bidding procedure for the selection of the Contractor for construction works.
 - 10/05/2020 contract notice, procedure no. RZ.ROZ.2810.101.2020
- implementation dates
 - according to the draft contract, the deadline for implementation was determined at 21/31/2022.

6. Areas necessary for investment implementation

The areas, properties which the investor must have at its disposal for the implementation of the Project were determined on the basis of the project documentation - the construction design. The construction design indicates the properties (plots) on which the structure is to be located. The construction design for the Task Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce was approved with a decision on the investment project implementation permit related to flood protection structures. The IPIP Decision, on the basis of specific regulations (Special Act), identified the properties necessary for investment implementation: a total of 394 plots were identified with the area of 56.9085 ha

Ownership structure (at the stage of submitting an application for issuing the IPIP decision):

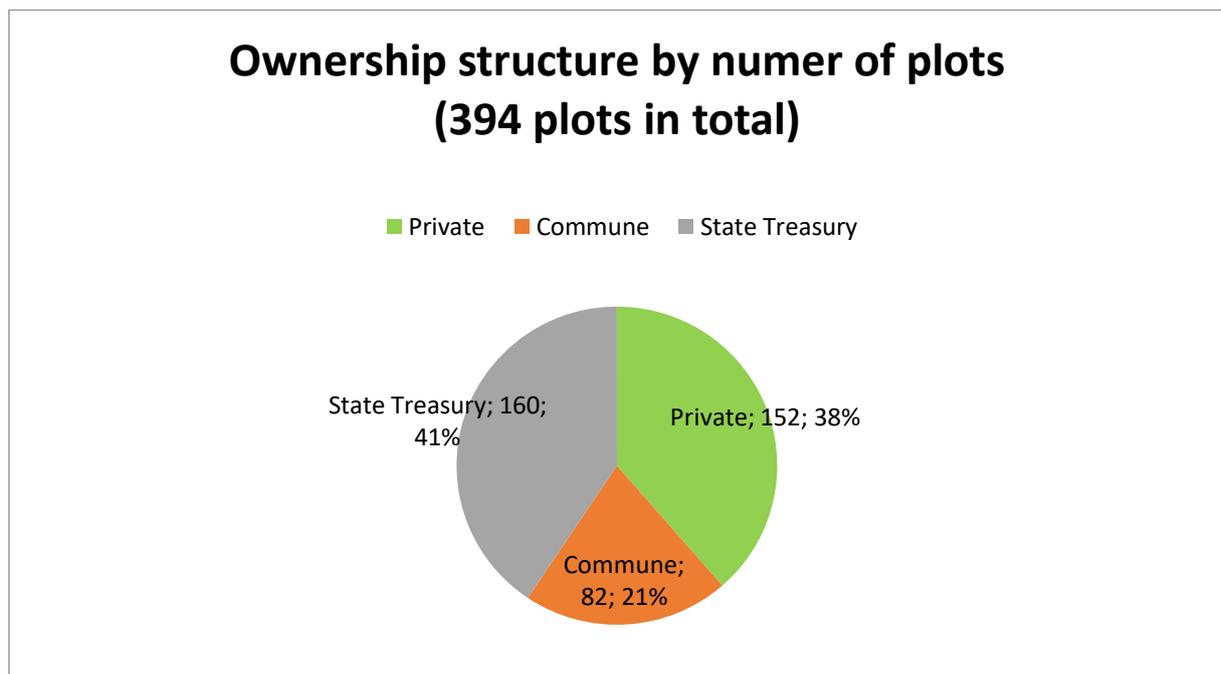


Fig. 3. Ownership structure by number of plots and percentage share

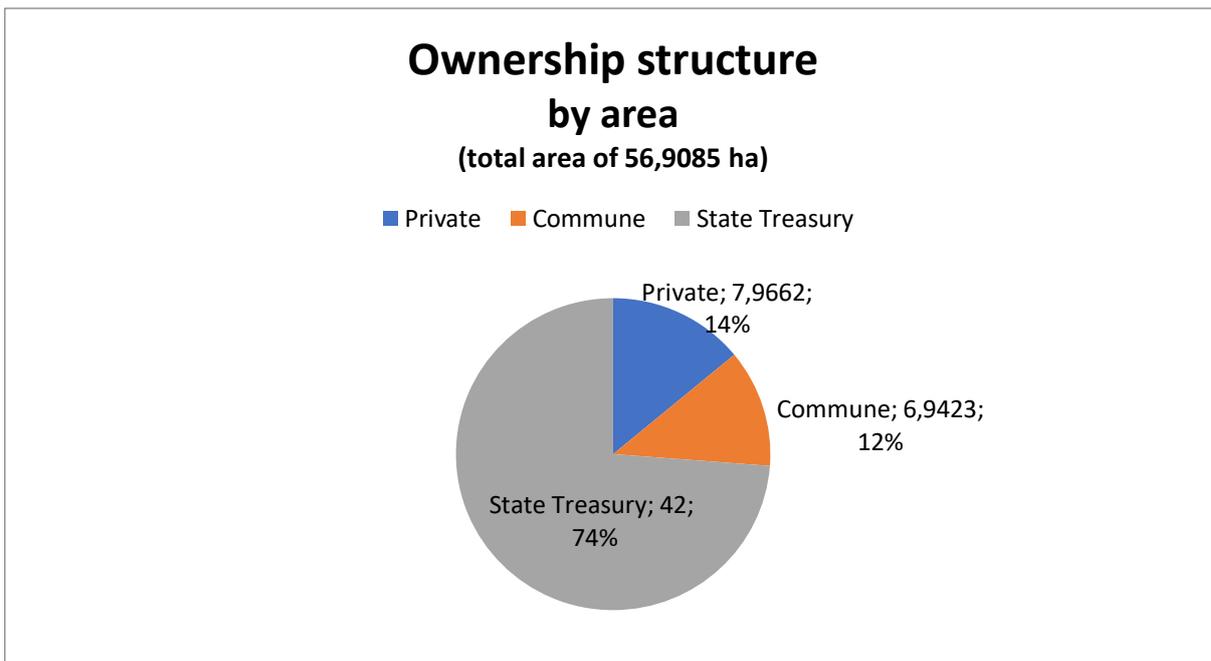


Fig. 4 Ownership structure by property area.

From 394 plots and the area of 56,9085 ha indicated above, according to the IPIP decision, the State acquired 254 plots under the above decision. However, it was established in the course of compensation proceedings that 20 plots of the above-mentioned 254 plots (as described in item III of the IPIP decision, the properties listed below, being part of the investment necessary for its implementation, will become the property of the State Treasury) had already been the property of the State Treasury before.

To sum up:

- 234 plots were taken over for the State Treasury's ownership under the IPIP decision and compensation was paid for the acquisition of property title of properties by the State Treasury;
- 20 plots were owned by the State Treasury before issuing the IPIP decision, including:
 - in relation to 11 plots, the compensation proceedings were discontinued by the Province Governor of Podkarpackie on the grounds that the land was owned by the State Treasury already before the IPIP decision was issued,
 - in relation to 9 plots, according to the data from the land register, they are owned by the State Treasury, they have been occupied since about 1969 for the existing flood protection embankment, PGW WP is in possession of these properties, the PIU is carrying out activities to regulate the legal status of the properties (including a statement of acquisition of the ownership right to the properties by the State Treasury through usucapion).

The Investor immediately took steps to pay the compensation due to the property owners. The PIU paid compensation for 125 plots in the form of establishing the compensation. The process of establishing

the compensation - limited in time by the provisions of the Special Act - lasted for a period of 2 months from the date on which the investment project implementation permit became final. In the second stage, the compensation for taking those properties over for the State Treasury was established by way of an administrative decision by the Province Governor of Podkarpackie. Compensation was established for 109 plots during these proceedings. The total compensation was paid for 234 plots with the area of 14.9085 ha.

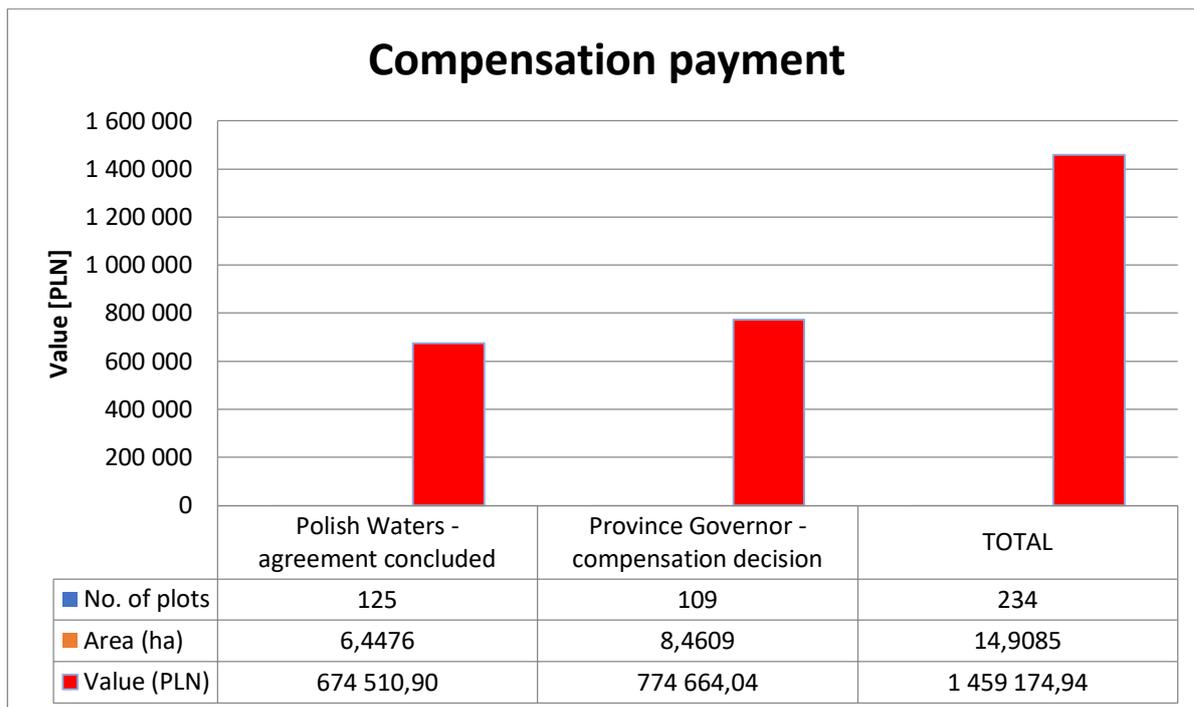


Fig. 5 Information on compensation payment per the form of its payment.

The process of land acquisition and compensation payment has been completed according to the PIU's information. Compensation activities were conducted in the fourth quarter of 2019 and 2020. The schedule of compensation paid in respect of individual plots is shown in the table below

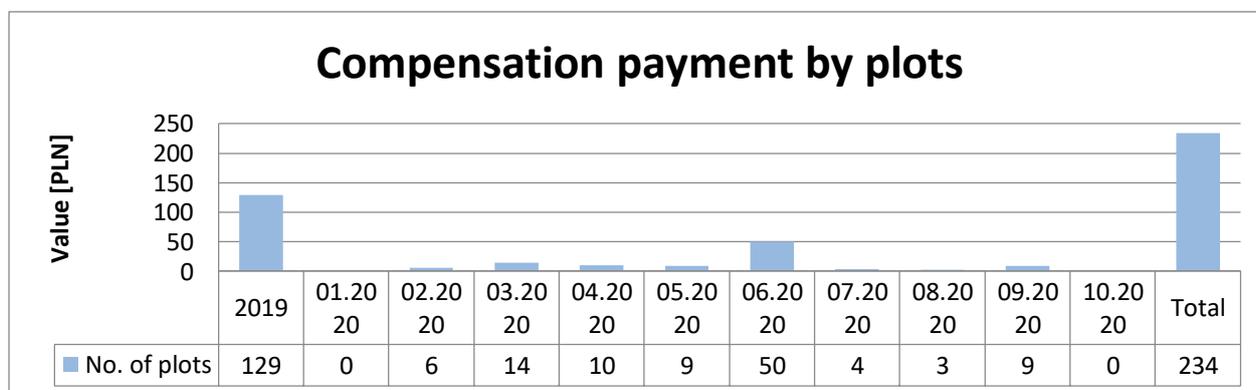


Fig. 6 Compensation payment over time.

Property owners releasing the properties to the Investor within a certain period of time (30 days from the date receiving the notification of issuing the IPIP decision) could be awarded the right to increase the remuneration by 5%. The basis and regulation of the right to increase the remuneration in connection with the release of the property is regulated by the provisions of the Special Act (more broadly in Chapter 8).

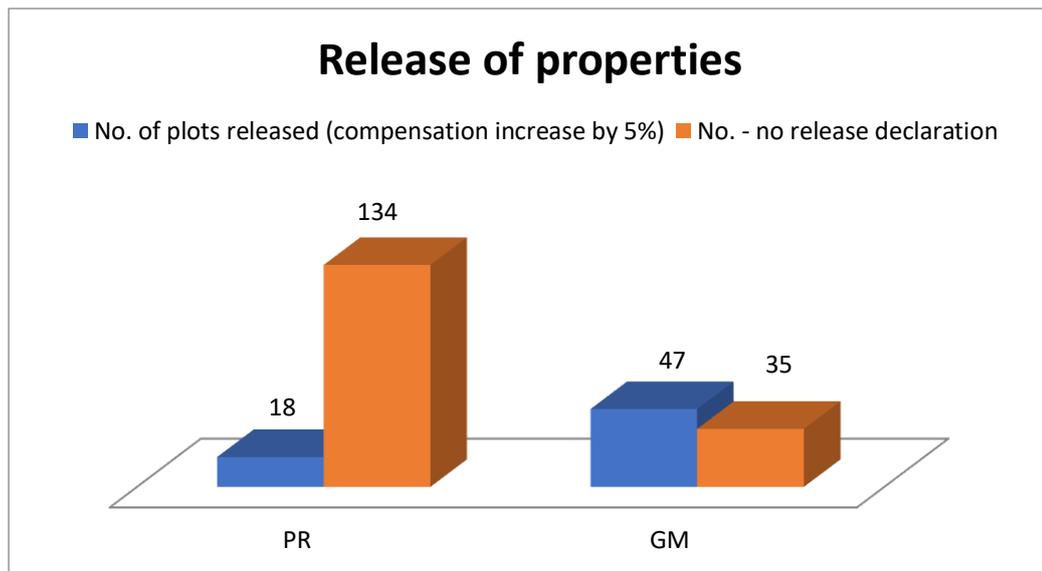


Fig. 7 Number of declarations on release of properties in relation to plots.

The IPIP decision identified two more property groups:

- a) properties or parts thereof being part of the investment, located outside the splitting lines of the area for which the Investor has disposal right for construction purposes - 18 plots (16 plots in Gorzyce area, 2 plots in Zalesie Gorzyckie area);
- b) the properties on which the IPIP Decision indicated the obligation to reconstruct the existing network of land development including the reconstruction of the 15kV medium voltage overhead line Trześń - Stalowa Wola between the pole post no. 28-31, which, after reconstruction (as provided for in the IPIP Decision) requires to obtain a separate building permit - concerns 19 plots located within the area of Gorzyce.

The ownership analysis indicates that, excluding the plots included in both of the above-mentioned groups of properties (2 plots) and the plots of land which were included as being designated for the reconstruction of the MV line but were also indicated as being necessary for the execution (7 plots), 28 plots remain to be temporarily occupied in connection with the works related primarily to the reconstruction of power lines. Detailed information on the particular plots is provided in an appendix to the LA&RAP.

According to the data, out of 28 plots for temporary acquisition, 18 plots are owned by natural persons, 4 plots are owned by the Gorzyce Commune, and 6 plots are owned by the State Treasury. For all private plots, the PIU concluded agreements or obtained declarations of owners regulating mutual obligations of the parties, including the right to dispose of the land and the obligation to manage the plots properly after completion of the works.

In accordance with the Special Act (Art. 9(5b) and (c) of the Special Act), the IPIP decision could also identify:

- the properties or their parts remaining part of the investment and necessary for its functioning, which did not become the ownership of the State Treasury, but their use method is permanently restricted,
- properties intended for flood protection purposes.

Due to the planned scope of construction works for the Project in question, it was not necessary to determine the above-mentioned restrictions.

6. Land development prior to the Investment

The investment is located within the geodetic boundaries of: Gorzyce, Sokolniki, Zalesie Gorzyckie, Orliska in the area of the Gorzyce Commune, District of Tarnobrzeg, Podkarpackie Province.

According to the description contained in the construction design “The investment implementation provides for the extension of the flood protection embankments in the direction of the area beyond the embankment, and where this is not possible (e.g. due to the nearby buildings) - in the direction of the embanked area and raising the embankments in order to adjust their parameters to the 2nd class of importance of hydrotechnical structures. The extension of the embankments is planned as follows: the left embankment - from the downstream side, thus leaving the embanked area of the Łęg river unchanged for the passage of flood waters and reducing interference in natural habitats and the right embankment - from the upstream side, thus leaving the area beyond the embankment unchanged, at the same time allowing to avoid the need for relocation and demolition of residential buildings.”

The areas taken over for the purposes of investment implementation from the existing owners are agriculturally used. The conducted site visit did not reveal any other use of the site.

The plots in the reach of the Investment, located in the Gorzyce Commune, are not included in the current local plan. The investment area is covered by the Study of conditions and directions of spatial development for the commune of Gorzyce, being appendix no. 1 to resolution No. L/321/18 of the Commune Council of Gorzyce of February 28, 2018.

In line with the provisions included in the above-mentioned Study, in the part concerning both spatial development conditions and directions of spatial development, the areas planned to be occupied for the purpose of the Project are indicated as areas of the special flood hazard separated by flood protection embankments, symbols WS - inland surface waters and Z - greenery. Below is an excerpt from the above-mentioned Study - maps of spatial development directions.

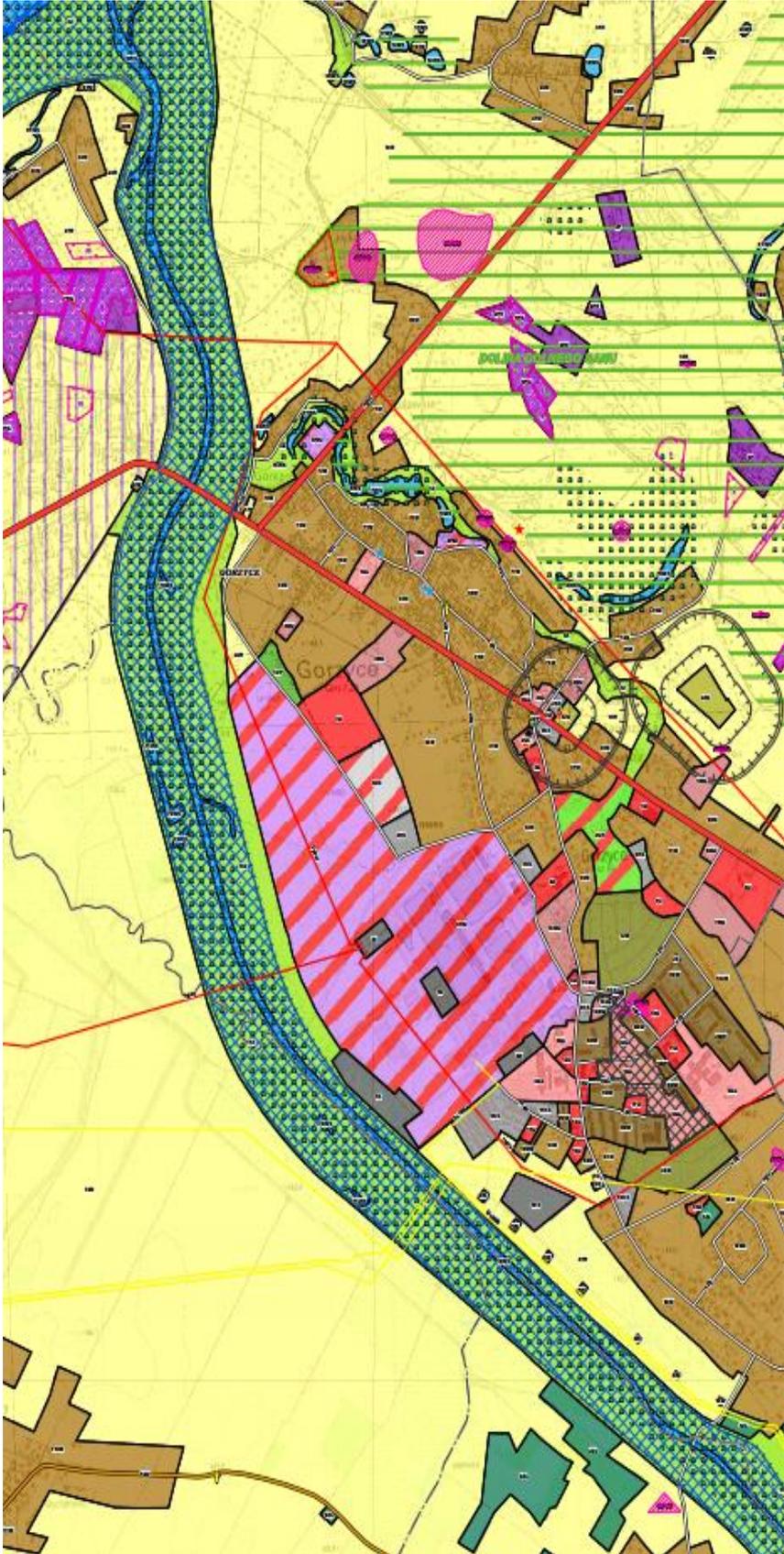




Fig. 8 Study of conditions and directions of spatial development for the Gorzyce Commune (excerpt).

7. Basic objectives and principles of the Land Acquisition and Resettlement Action Plan.

The objectives and principles of the LA&RAP presented below have been adopted in accordance with the guidelines of the Land Acquisition and Resettlement Policy Framework (LARPF), link:

http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf

Unless appropriate mitigation and preventative measures are planned and implemented, the acquisition of properties may cause and strengthen social inequalities, cause social exclusions and result in permanent environmental damages. Therefore, the principles below have to be followed in the design and implementation of the land acquisition and resettlement process:

1. Permanent acquisition shall be minimized, and avoided, if possible. Where permanent acquisition is unavoidable, the procedures and requirements laid down out in this LA&RAP will apply to minimize the impact of property acquisition on the stakeholders.
2. The expropriation procedures should not deteriorate the living conditions of the population, but should ensure, at the least, a restoration of the pre-Project levels.
3. All project affected persons take part in social consultations at equal basis, considering the needs of particularly vulnerable groups. They will also be presented with an opportunity to actively participate in the Project development and access to the grievance redress mechanism. Consultations will consider all social issues (also gender) and take into account the needs of stakeholders who may be considered vulnerable.
4. Project Affected Persons have the access to a fair, unbiased and affordable appeal procedure before an independent authority or before a court, and may perform this procedure without undue delay.
5. All cases of property acquisition, both permanent or temporary, will be executed under the procedures defined in Polish law and OP 4.12, and the LA&RAP is in accordance with the RPF.
6. The LA&RAP applies to permanent or temporary property acquisition, as well as to permanent or temporary restrictions of the access to properties, in particular resulting in the loss of business income (permanent or temporary) or deterioration of standards of living.
7. The implementation of the LA&RAP will be monitored and documented, and after completion it will be evaluated by the World Bank.
8. The social participation process, protective and mitigation measures will be conducted with the assumption of the need to provide equal treatment regardless of age, gender or disability of project affected persons. Particular attention should be paid to those households whose member(s) remain a part of particularly vulnerable social groups.

9. LA&RAPs are planned and implemented as an integral part of the Project. All the costs associated with the necessity to plan and implement compensation measures will be included in the Project costs and benefits.
10. Compensation for persons affected economically by the Project implementation effects should be paid prior to the commencement of construction works on the expropriated property.
11. A priority for compensation activities is given to the compensation on the “land for land” basis by granting a property with a similar production potential. Cash compensation will be used where acquisition of the property or its part has no impact on the use of land for its former purposes, as well as where persons affected economically by the Project's consequences express their will to receive cash compensation. Cash compensation will also be applied wherever there is no suitable replacement property. The conducted socio-economic studies and analysis of property development reveal that acquisitions have a negligible impact on PAP's revenues. Due to the small area of the properties taken over, the lack of agricultural and non-agricultural use and the lack of impact on PAP's revenues, compensation will be made in cash.
12. Properties temporarily acquired by the Contractor shall be restored to their original state after the completion of the works to enable their owners or users to use them in the same manner as before Contract implementation or to the state agreed with the property owner in accordance with the property acquisition contract.
 - 12.1. While detailing out guidelines from item 12 it was assumed that the Contractor shall on its own and at its own cost obtain land for temporary acquisition connected with the organization and the manner of implementation of construction works adopted by itself, while negotiating the conditions for temporary acquisition of properties, the Contractor shall observe the rules determined in this LA&RAP (the process shall be monitored by the PIO and Consultant and implemented based upon the rule of voluntariness and upon the rules determined in the agreement concluded between the property owner and the Contractor of works). Temporary acquisition of the properties based upon a written voluntary consent of the property owner and on rules determined in the agreement providing that consent. A template agreement is given in Appendix to the LA&RAP.
 - 12.2 The Contractor will agree upon and provide the Investor with information on all concluded agreements for temporary acquisition. Prior to the temporary acquisition of the property, the Contractor will carry out a detailed inventory and prepare photographic documentation of the above-mentioned property.
13. All PAPs, without regard to the legal status of the property, will receive support of various kinds, as per the principles set out in the Entitlement Matrix included in this LA&RAP. The lack of a legal title to a property should not be an obstacle to receiving compensation and/or different kind of support. The detailed principles of land acquisition, social participation and mitigation, prevention, protection and compensation measures are established in the provisions of this LA&RAP.

14. Permanent restrictions in the use of properties were not indicated in the IPIP decision for the Project. However, if for some reasons - not known or planned today - they would have to be introduced, they will in principle be compensated in cash. The amount of such compensation will consider the market value loss of the property.

In accordance with the guidelines of the Land Acquisition and Resettlement Framework, the LA&RAP shall be updated, if necessary, along the progress of the works and when new factual or legal circumstances emerge.

8. Impact minimization

The basic objective of the LA&RAP is to define the principles and measures to prevent significant negative impacts on the society resulting from land acquisition, involuntary resettlement within the Project implementation, and where it is not possible to avoid these impacts - to minimize and compensate them.

8.1. Description of potential effects of the Project

The main task of the planned undertaking is flood protection of areas in the Gorzyce Commune. The extended flood embankments, by retaining flood waters in the riverbed of the Łęg River and in the embanked area, will contribute to the reduction of damages caused by the passage of flood waters through built-up areas. This will save not only houses and assets of people, but above all the lives of the residents located in the neighboring areas. Preponderantly agricultural areas and residential buildings will be subject to the planned protection Overall, the proposed flood embankments will protect about 13,480 thousand inhabitants of the Gorzyce Commune, living on 69 km², where 90% of the commune is located in the 100-year water zone,

8.2. Description of the investment scenarios in terms of its impact on the community concerned

In view of the subject matter of the Project, i.e. actions increasing flood safety of the areas along the Łęg River, the selection of scenarios regarding the project location was only connected with the search for the technically most optimal solutions (see p.106 of the Environmental Impact Report for the project "Łęg IV – extension of the left river embankment at chainage km 0+082-5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000-5+236 within the Commune of Gorzyce" prepared as part of the proceedings ended with the decision of the Regional Director for Environmental Protection in Rzeszów of 08/18/2017, ref. no.: W00Ś.4233.4.2015.MG.65 on environmental conditions for the project of the above-mentioned undertaking).

Three scenarios of project implementation were presented and analyzed at the stage of the environmental impact assessment.

The preferred and selected scenario to be implemented involves minimal interference with the environment while improving the functioning of floodplains regardless of the water level. As the benefits in relation to the other analyzed scenarios, the EIA report indicates:

- In connection with the extension of the left embankment in the direction of the area beyond the embankment, this scenario will preserve the largest number of natural habitats in the embanked area;
- There will be no need to evacuate and demolish residential and farm buildings along the route of the modernized embankments;
- No need to relocate and reconstruct the existing road infrastructure;
- Improvement in the use of agricultural and residential areas through the reconstruction of exit ramps, construction of a technological lane, etc.;
- Minimal impact on the fauna, resulting from the construction and modernization of embankments and the extension of the left embankment on the area beyond the embankment;
- Maintenance works on ditches entering the Łęg River and interference with the riverbed of the Łęg River envisaged for very short sections (approx. 5 - 10 m) at the mouth of these ditches into the river, using natural materials, will have a short-term and transient impact on the status and ecological potential of surface water bodies. Ultimately, it will not deteriorate its status, but may improve its status due to the improved living conditions for aquatic fauna;
- It allows you to make the most of the existing waterproofing screen.

Moreover, the extension of flood protection embankments will not affect the use of the land in agricultural terms, outside the area intended for the extension of the embankment, and due to the smaller scope of works (e.g. use of the existing screen) and the lack of the need for demolition and resettlement, as compared to the other scenarios, will not adversely affect people and their material assets

8.3. Actions to minimize the negative impact

The description of any measures that have been taken to minimize the impact related to land acquisition / relocation of the population in order to implement the investment.

1. **Choosing the implementation scenario that least interferes with the ownership rights of third parties, avoiding resettlement.**

As indicated above, at the design and environmental impact assessment stage, the principle of minimizing interference with third party owned land was adopted. According to Polish law, when

preparing the implementation of the investment, the investor, the designer and other involved entities should ensure economical use of the area (Article 74 (1) and (2) of the EPL).

2. Acquisition of properties at a specific time and in specific manner.

The Investor planned and executed the acquisition of the land before the start of the investment (details in Chapter 6). The land acquisition process started in October 2019 and, as of November 2020, was completed in:

- 100 % for the acquisition of rights to land;
- 100 % for compensation for permanent acquisition of properties;

The procedure and principles of land acquisition were implemented in accordance with the provisions of the Constitution, the Real property management act and the Flood Protection Act (for details see Chapter 10). The acquisition of properties before the starting of the procedure for the publication of the LA&RAP. The valuations of properties made correspond to the methodology adopted in this LA&RAP.

3. Possibility to use the land until the investment starts.

The owners of the land obtained the right to use the land acquired for the purposes of the investment until the planned commencement of construction works (December 2020 / 1st quarter 2021). Every person expropriated shall be entitled to use the land free of charge in a previous way until the compensation is paid. Property release shall take place after harvesting of crops, for plots where agricultural activity is carried out. Information about the planned start of construction works (December 2020/Q1 2021) will be sent to the owners at least 21 days before the planned start of works. It is not assumed that start of construction works will prevent crops from being harvested.

4. Significant/insignificant impacts.

The following criteria were adopted in line with OP 4.12 to estimate the social impacts for the purpose of this LA&RAP:

- secondary impacts - impacts where less than 20% of the land or resources belonging to a given PAP are lost, with no physical relocation, are considered to be secondary impacts.
- significant impacts - impacts where more than 20% of the land belonging to a given PAP are lost are considered to be significant impacts.

When evaluating the significance of impacts, the information was considered obtained during the socio-economic studies, at the stage of designing and at the stage of processing the application for the issuance of the decision on environmental conditions of the investment

project implementation permit, in particular with regard to the expected impact on the elements of the environment that may affect the current use of the property.

In the case of areas owned by the State Treasury or the Gorzyce Commune, the impact was considered insignificant because the acquisition of a property from these entities does not have a significant impact on their situation and functioning.

There are no impacts related to the necessity of physical relocation of households or farms for the planned Contract.

There are no significant impacts on PAPs in connection with the performance of the Contract. There is no physical or economic resettlement. In all cases it was identified that impacts associated with implementation of the Contract shall be insignificant.

5. Determining the amount of compensation

The amount of compensation for the lost properties was determined on the basis of the estimate calculations made by independent experts (property appraisers). The price estimation for calculations of the compensation amount was prepared in line with the principle that it is honest, objective and independent in such way that the existing owner will receive compensation for property reflecting the real loss and therefore, the negative influence of the loss of property on their financial situation shall be minimized.

In accordance with the right under Article 21(7) of the Special Flood Act providing that the existing owner or perpetual usufructuary of the property covered by the IPIP, who releases the property not later than within 30 days from the date of delivery of the IPIP notification, the amount of compensation is increased by an amount equal to 5% of the value of the property or the value of the right of perpetual usufruct, on the terms specified in the Special Flood Act. Almost all PAPs were already informed of the above right by the Province Governor of Podkarpackie in the notification of issuing the IPIP decision. If PAP does not accept the amount of compensation indicated in the decision of the Governor, PAP is entitled to appeal against the decision to the Minister of Development (as of the date of preparing the LA&RAP, the Minister of Development, Labor and Technology, respectively) and, upon PAP's request, to be paid the undisputed part of the compensation, i.e. the amount indicated in the decision of the Governor in question (Article 21(11) of the Special Act).

6. Form of compensation.

As part of compensation measures, due to:

- the extent of the land necessary for the implementation taken over from individual owners,
- objectively minor interference with third party's property;

- lack of PAP' applications for replacement land

priority was given to payment of compensation in cash.

The legitimacy of the above activities is indicated by the analysis of the properties purchased for the needs of the investment, which shows that the areas larger than 0.5 ha taken over from the previous owners were the exclusive property of Gorzyce Commune and the State Treasury. However, the areas with the acquisition area of 0.2000 ha to 0.4900 ha are 24 plots, out of which only 5 are private property (the remaining acquired land covered the area of less than 0.2 ha). The adopted form of compensation is therefore justified by the agricultural use and destination of the land and the relatively small areas of land taken over from individual owners.

7. **Costs of mitigation measures.**

All costs related to the mitigation measures will be included in the compensation packet. At the current stage, no cases of PAP were identified, and it would be necessary to prepare dedicated compensation packages, however, in the LA&RAP document, such possibilities will be activated, if necessary.

8. **Owners of external infrastructure.**

For the duration of the works, investment supervision will be provided in consultation with the owners of the infrastructure network. The owners of these networks will be notified in advance by the Contractor of the date of commencement of the works.

9. **Information letter.**

In connection with the planned commencement of construction works, practically completed compensation payment process and planned public consultations of the LA&RAP, the information letter should be adequate in its content as to the state of investment preparation.

The draft information letter is attached to the LA&RAP. The draft encompasses:

- investment data,
- information about the commencement of construction works,
- information about the public consultation of the LA&RAP,
- the complaint form,
- contact details for the Project,
- information about the need to notify the ARMA, if the subsidies for expropriated land were collected.

10. **Purchasing of so-called "remnants".**

Owners of properties whose part of the plot has been taken over for the purposes of the investment and the remaining part is not suitable for proper use for the existing purposes, may

apply for a buyout by the investor of this remaining part of the property. No applications have been submitted so far for this project.

11. Temporary land acquisition related to the execution of construction works.

Due to implementation of the Contract, it may be necessary for the Contractor to temporarily acquire properties, at its own risk and expense, in a scope wider than given in the IPIP (e.g. acquisition for construction backyard and for storage of soil and other construction materials). The scope and target location of such temporary acquisition will be determined by the Contractor. When negotiating the conditions of temporary property acquisition, the Contractor will be guided by the rules laid down in this LA&RAP (the process will take place on a voluntary basis). Negotiations and agreements between the Contractor and the property owner on temporary acquisitions will be monitored by the PIO and the Consultant to ensure that the agreement is fair and beneficial to the owner of the land. The specimen of the agreement is provided as an appendix to the LA&RAP. Prior to the temporary acquisition of the property, the Contractor will carry out a detailed inventory and prepare photographic documentation of the above-mentioned property. The properties to be temporarily acquired shall be restored to their original state or such agreed in the agreement after completion of the works and returned in a good condition in order to allow their owners or users to use those properties in a way they did prior to implementation of the Project or in accordance with a statement of agreement. The PIO and the Consultant shall monitor restoration of land to the good state to ensure that the Contractor meets that requirement.

12. Construction.

The construction backyard shall be located in a way affecting the quality of inhabitants' life in the smallest possible way, if feasible, within the lines splitting the Works Contract site. Additional areas deemed as working areas located beyond the construction site shall require reaching an agreement with the Investor.

Throughout the whole period of construction works, the Contractor is obliged to ensure protection of legitimate interests of third parties (including providing access to the public road and the possibility of using the existing technical infrastructure facilities).

On leaving the construction site, stands for washing of car wheels and wheels of machines leaving the construction site will be provided. The works Contractor is obliged to remove periodically the pollutants produced on roads as a result of the traffic of vehicles and machines connected with the construction. This will reduce the impact on road infrastructure.

13. Subsidies for farmers from the European Union's funds.

For the project, the PIO has not yet identified any people who would raise the issue of direct subsidies for expropriated properties. The expropriation of a property, and more precisely, taking over the property in the possession of the Investor causes that the entitled person loses the right to collect subsidies in relation to the expropriated area. According to the ARMA, the expropriation of all or a large part of an agricultural holding, if such an expropriation could not have been foreseen on the date of submission of the subsidy application, constitutes a case of force majeure or exceptional circumstances beyond the control of the entity (the applicant) and in this situation one retains the right to subsidies under the direct support schemes in respect of the area which was eligible for those payments at the time of the force majeure or exceptional circumstances.

9. Socio-economic studies

Methods and conditions of the study.

The social-economic study was conducted by a legal and social team belonging to the Consultant structure, responsible for drawing up this LA&RAP.

The socio-economic study was conducted in October-November 2020. During this period, the area of the whole country of the Republic of Poland was indicated as the area where the epidemic condition caused by SARS-CoV-2 infection (also known as "COVID-19") occurred. For the sake of the welfare and health of PAP and the technical staff, the possibility of direct contact was limited.

The socio-economic study was conducted on the basis of a survey. Due to the limitations in direct communication, a questionnaire was sent to all landowners asking for answers. A return envelope with a stamp has been prepared for ease of use, so that those sending back the survey will not bear any costs. Another way of submitting the survey was to submit it to the Commune Office in Gorzyce, and additionally, a possible telephone contact to the consultants was indicated.

The study was carried out using the standardized questionnaire interview method, based on surveys prepared in accordance with the guidelines of the Land Acquisition and Resettlement Policy Framework for OVFMP as of April 2015 available at:

http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf

As an additional source of information, the Land and Mortgage Registers, extracts from the Land Register and a map of the division of property intended for the project implementation and information from the publicly available data sets were used.

The subject of the Project in terms of land acquisition and the analyses carried out demonstrated that there will be no physical and economic resettlements and social and economic costs of the Contract will not be significant. The area covered by the investment is inhabited by families, which mostly run agricultural activity as one of additional, less significant sources of income.

The relatively low socio-economic costs of the Project are also a consequence of the fact that there are no public institutions such as schools, offices, workplaces or churches or seats of other religious associations on the designated area, which means that the expropriation procedure will affect people who are not property owners only to a small extent.

Study results

Efforts have been made to conduct socio-economic studies to the widest possible extent. However, the

fact that they took place after the compensation process had already been completed and that they concern small parts of private properties meant that the existing owners were not interested in participating in the survey. 10 surveys were collected out of 113 from the correspondence sent. The above-mentioned low activity of people affected by the project in participating in the survey is not, however, something exceptional for this Project. As the documents from the process of preparing the investment, in particular from the stage of carrying out the environmental impact assessment and obtaining the investment project implementation permit decision show, also at these stages the owners did not actively participate in the proceedings, did not submit applications, did not get acquainted with the case files.

Due to the purpose and scope of the works, the investment interferes in a relatively small and insignificant way with the current state of the property owners' possession. Moreover, the investment serves the interests of the owners as it directly protects their land against the risk of flooding and related losses.

A detailed description of the data collected is described in the socio-economic study attached to this LA&RAP. The study is not subject to public disclosure due to personal data protection.

Gender Equality

The implementation of the Contract does not allow for any gender-specific differences in benefits and/or expected impacts. PAP also includes women as the sole owner of a property or on the basis of joint property ownership. All activities under the Project are carried out in accordance with the principle of equal treatment and the legal regulations in this respect. Poland has a legal prohibition of discrimination, which is expressed in the Polish Constitution. Article 32 states that no one shall be discriminated against in political, social or economic life on any ground whatsoever.

Discrimination against women means "any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing or nullifying the recognition, enjoyment or exercise by women, irrespective of their marital status, on a basis of equality of men and women, of human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field" (Article 1 of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) of 1979).

Experiences also show that women are equal participants of public consultations and frequently their local involvement and activity cause that they play a leading role in such consultations.

However, according to research of the European Institute for Gender Equality (EU bodies and agencies) for 2019, Poland is ranked 24th in the EU by the value of the gender equality index, reaching 55.2 out of 100 points. This result is 12.2 points lower than the EU average. In the years 2005-2017, Poland's result increased by only 2.8 points. Compared to 2015, this result has decreased by 1.6 points. Poland

is moving towards achieving gender equality at a slower pace than other Member States. Its position has dropped by four places since 2005 and by six places since 2015. According to the results of the above-mentioned Institute, Poland's performance is lower than that of the EU in all areas. The differences in treatment between men and women are most pronounced in terms of power (29.1 points) and time (52.5 points). Poland achieved the highest scores in the field of health (83.2 points), although they are much lower than in other Member States. Since 2005, Poland's score has improved the most in the field of money (+13.7 points). Progress in the area of knowledge has stopped (-0.2 points) and decreased in the area of time (-2.1 points). Between 2005 and 2017, Poland improved its indicator, but over the whole period it recorded a much lower result than the EU average. Poland has made progress towards gender equality at a slower pace, increasing the gap between its own performance and EU performance over time.

10. Existing legal provisions on the acquisition of properties and valuation methodologies

This Land Acquisition and Resettlement Action Plan was developed in accordance with the World Bank Operational Policy OP 4.12, Involuntary resettlements, which was applied due to the financing of the project by the World Bank - International Bank for Reconstruction and Development (WB) and the provisions of loan agreement no. 8524 PL, concluded between the Government of the Republic of Poland and the aforementioned Bank.

The LA&RAP takes into consideration the above-mentioned provisions of the Operational Policy and the applicable provisions of Polish law, including in particular the Constitution of the Republic of Poland, the Special Flood Act and the Real property management act. In case of discrepancies between Polish law and WB policies, the provisions which are more beneficial to the affected population are applied such that the WB policy standards are met, subject to corrective instruments specified in section 10.4.

10.1. Obligations arising from OP 4.12 policy

OP 4.12 is applicable if the Project performance requires the following:

1. involuntary property acquisition resulting in:
 - a) relocation or loss of the place of residence,
 - b) loss of assets or access to assets,
 - c) loss of income sources or lowering the standard of quality of life
2. the involuntary restriction of access to parks and protected areas resulting in adverse impacts on the livelihoods of the project affected persons.

OP 4.12 sets forth the following obligations:

- Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs, and where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed so as to minimize their scale and impact;
- resettlement process should be planned and implemented as development activity providing means and assets allowing PAPs to participate in benefits resulting from implementation of the Project; assistance should be given to social groups affected by the resettlement process in order to improve their state of the economy, income and standard of living, or at least restore the status from before the Contract implementation;
- The resettled should receive compensation at replacement value, assistance in relocation and support in the transition period;

- Lack of a legal title to the ground should not bar compensation;
- Particular attention should be paid to vulnerable social groups and individuals (e.g. single mothers, the handicapped, the poor);
- The communities should be given an opportunity to participate in planning, implementation and monitoring of the resettlement process;
- The resettled should be assisted in integration with the host community;
- Process of resettlements should be closely linked to the schedule of the main investment so that the resettled people receive compensation before the construction or other activities covered by the projects begin;
- Monitoring of resettlement is required as well as evaluation of its efficiency;
- As regards rural or farming lands, farms that lost their fixed assets entirely and became entirely unprofitable should receive compensation in the amount equal to the value of the entire farm;
- for losses that are hard to compensate for financially, such as access to public services, access to clients or suppliers, fishery areas, access to pastures and forest areas, an attempt should be made to grant access to equivalent and culturally relevant resources and income opportunities.

10.2. Polish legal requirements

The most important normative acts associated with acquiring rights to properties required to perform the Project are:

- Constitution of the Republic of Poland of April 2, 1997 (Journal of Laws No. 78, item 483, as amended);
- Act of April 23, 1964 Civil Code (consolidated text, Journal of Laws of 2020, item 1740);
- Act of July 8, 2010 on particular rules of preparing the implementation of flood management structure projects (consolidated text, Journal of Laws of 2019, item 933 as amended);
- Act of August 21, 1997 on real property management (consolidated text, Journal of Laws of 2020, item 1990);
- Act of July 20, 2017 Water Law (consolidated text, Journal of Laws of 2020, item 310, as amended);
- Regulation of the Council of Ministers of September 21, 2004 on the evaluation of properties and development of estimates (Journal of Laws No. 207, item 2109 as amended).

In accordance with Article 21 of the *Constitution of the Republic of Poland*, the Republic of Poland protects ownership and the right to inheritance, and expropriation is allowed only if it is for public purposes and with fair compensation. In accordance with the law, the owners receive fair and full compensation, but the provisions remain silent as to the implementation of resettlement. Resettlement

is a broader process than expropriation and is not always included in the resettlement process. The purpose of resettlement is to focus on the restoration of the new place of residence, work, leisure, together with other elements of the local community, i.e. the restoration of a certain set of rights, for a given group of people or a given entity (household) affected by the implementation of the public purpose. Significantly, resettlement may take place by agreement between the investor and the owner of the land or house and is not strictly connected with the use of the expropriation institution understood as a unilateral act of the State authorities aimed at deprivation of property rights not requiring the consent of the owner of the property. From the point of view of the Project implementation, resettlement both in individual and group dimension did not occur. This is due to the subject matter of the Project and the limitation of interference in areas that are private property.

The **Civil Code** regulates the legal relations between physical persons and legal persons, including the conclusion of agreements whose subject is the transfer of property ownership. Here, the principles of the freedom to draw up the content of the agreement and freedom to decide whether and with whom to conclude such an agreement are effective. Unanimous declarations of the parties dictate conclusion of an agreement. The Civil Code sets forth a particular form for concluding agreements, the subject-matter of which constitutes a property. They should be concluded as a notary deed in order to be valid. Mechanisms for involuntary acquisition of rights to property are set forth in the Special Flood Act and the RPMA.

Property acquisition under the **Special Flood Act**

With respect to issues related to the process of obtaining properties for public purposes, the Special Act specifically regulates issues related to generally applicable regulations connected with:

- a) the definition of a public purpose (Article 3 of the Special Act);
- b) deprivation of the ownership right to property (acquisition of ownership rights by the State Treasury or a local government unit) and determination of compensation (Article 19(4), Articles 20-21 of the Special Act);
- c) expiry of limited property rights to a property (Article 20(4) of the Special Act);
- d) expiry of perpetual usufruct (Article 20(5) of the Special Act);
- e) permanent restriction of the use of the property indicated as necessary to function within the meaning of the IPIP decision along with the right to request the investor to acquire it (Article 9(5)(b) and Article 22(2) of the Special Act);
- f) restriction of the use of the property within the meaning of the IPIP (Article 9(8)(f) of the Special Act);
- g) the right to obtain possession of the properties necessary for implementation before the IPIP decision becomes final (Article 25 of the Special Act);

- h) approval of the draft division of properties when a part of the property is required for the purposes of the investment (Article 19(1) of the Special Act);
- i) acquisition of properties outside the investment area, for the purpose of exchanging them for properties located within the investment area or for separating such properties in the merger and exchange proceedings (Article 23(1) of the Special Act);
- j) acquisition of so called "remnants" (Article 23(2) of the Special Act);
- k) expiry of the permanent administration and of the lease, tenancy or lending of the property intended for investment (Article 26 of the Special Act);
- l) acquisition the land developed as family allotment gardens for investment purposes (Article 18 of the Special Act).

In accordance with Article 30 of the Special Act the provisions of the act of August 21, 1997 on real property management shall apply respectively to the extent not regulated in the act.

10.3. Analysis of key issues related to acquisition of properties

10.3.1. Moment of acquiring the rights to the property.

The acquisition of a property (sec. b above), expiry of rights (sec. c and d above), introduction of restrictions (sec. e and f above), approval of the division of properties (sec. h above) and expiry of the remaining obligation and administrative rights to the property (sec. k above) is effected by virtue of the law as of the date on which the investment project implementation permit decision becomes final.

Project: the date of acquisition of the right to the property is October 4, 2019.

10.3.2. Public purpose.

Article 21 of the Constitution of the Republic of Poland quoted above stipulates that expropriation is allowed only if it is for public purposes. In Polish law, the basic act defining public purposes are the provisions of the **Real property management act** (Article 6 of the RPMA). Pursuant to Article 6(4) of the RPMA, public purposes include the construction and maintenance of facilities and equipment for environmental protection, reservoirs and other water facilities for water supply, flow regulation and flood protection, as well as the regulation and maintenance of water and water drainage facilities owned by the State Treasury or local government units. Certainly, the implementation of flood protection investments (like the Project in question) falls within the concept of a public purpose within the meaning of the RPMA. However, the legislator has additionally included a provision in the special act stating that the investment in flood protection structures and meteorological radar stations is a public objective within the meaning of the Act of 21 August 1997 on real property management.

Project: The investment constitutes a public purpose within the meaning of the applicable regulations.

10.3.3. Compensation - replacement land.

With the transfer of the property in favor of the State Treasury or of local government units, the property owner, the perpetual usufructuary or a person entitled to a limited property right to the property is entitled to compensation in cash or to a replacement property (compensation in the form of "land-for-land"). The Special Flood Act does not indicate any preference for the "land-for-land" compensation; financial compensation allowing for purchasing a similar property at a market price is rather assumed. However, this does not mean that as part of the compensation it is not possible to grant a replacement property to the property owner, pursuant to Article 131 of the RPMA, which applies in connection with the reference provided in Article 30 of the Special Act, as part of compensation, the owner or the perpetual usufructuary of the expropriated property is entitled to a suitable replacement property with one's consent. The replacement property is granted from the State Treasury's resources if expropriation is made in favor of the State Treasury.

Project: the possibility of providing replacement land existed under the conditions indicated above, however, compensation in this form was not implemented due to the lack of applications from the entitled persons.

10.3.4. Compensation - cash amount.

The amount of compensation is determined separately for each property by individual negotiations of the Investor with present owner or holder of perpetual usufruct rights. These negotiations will be held on the basis of an independent and objective assessment of a valuation prepared by a property appraiser who holds an appropriate license (professional official permission to value a property). The amount of compensation is determined for the property in the condition as of the date of issuing the IPIP, but in reference to the property value as of the date on which the amount of compensation is determined. In case the Investor and the expropriated party (the owner and/or perpetual usufructuary and/or a person entitled to a limited property right) reach an agreement as regards the amount of compensation, a written agreement is concluded, determining the amount of compensation for each such person/entity, and the time and manner of its payment.

However, if the agreement as to the amount of the compensation is not reached within 2 months from the date the IPIP becomes final, the amount of the compensation is determined by the Province Governor (public administration authority) by an administrative decision. In the course of the proceedings to determine the compensation, the governor appoints a **property appraiser** in order to prepare a valuation of the property. On the basis of the above mentioned valuation, the Governor determines in one's decision the amount of compensation due. Before issuing the decision, the parties

have the right to examine the evidence gathered in the case, including, in particular, the **assessment report**, and, if they have doubts as to its content, to submit comments or objections. The authority is obliged to address all circumstances raised by a party.

Project: the amount of compensation was determined on the basis of estimates prepared by a property appraiser. The compensation arrangements concerned 125 plots with the area of 6.4476 ha (value of PLN 674510.90), whereas the decision of the Governor concerning compensation covered 109 plots with the area of 8.4609 ha (value of PLN 784664.04).

10.3.5. Expiry of property rights.

The Polish law defines in a closed manner a catalogue of property rights (in the strict sense of the rights to things). It should be stressed that property rights - as opposed to obligation rights - are effective *erga omnes*, i.e. in relation to all entities. According to the provisions of the Civil Code, the categories of limited property rights include: ownership, usufruct, easement, pledge, mortgage, cooperative ownership right to the premises. The above principle means that it is not permissible to contractually establish property rights that are not expressly prescribed by law. Only a lien that relates to movable property or rights shall not apply to property. In accordance with the provisions of the Special Act, if limited property rights were established on the property or the perpetual usufructuary right for the property, these rights shall expire on the day on which the decision on the investment project implementation permit becomes final (Article 20(4) of the Special Act).

Compensation due to the current owner or perpetual user is reduced by the number of limited property rights established on a property.

A similar solution was adopted by the Special Act for the perpetual usufruct right. The perpetual usufruct right is a property right of a special nature, combining elements of ownership and a limited property right. It may be established on land owned by the State Treasury, local government units or their associations. Article 20(5) of the Special Act provides that if a land property owned by the State Treasury or a local government unit was given to perpetual usufruct, such usufruct expired on the day on which the decision on the investment project implementation permit became final.

Project: no compensation related to the expiry of limited property rights and perpetual usufruct occurred for the project.

10.3.6. Compensation - appeal.

The compensation decision issued by the Governor may be appealed by the party to a body of higher instance (currently to the Minister of Infrastructure, Labor and Technology). The appeal shall be lodged within 14 days through the body of first instance. In case of an appeal against the decision establishing the amount of compensation, the expropriated party may file a motion for paying the compensation in

the amount stated in the contested decision. In such case the compensation is paid as stated, which does not influence the appeal proceedings.

The decision issued in the appeal proceedings can be appealed to the Provincial Administrative Court within thirty days of the decision delivery to the applicant. A party has the right to lodge a cassation appeal with the Supreme Administrative Court against the judgement of the provincial administrative court within thirty days from the date of delivery of a copy of the judgment with substantiation to the party.

Project: An appeal was brought against the decision of the Governor of Podkarpackie Province concerning compensation in one case (1 plot). The appeal concerned the determination of the compensation amount for a plot with the area of 0.0628 ha. The property is not built-up, so far it has been part of a larger property (of nearly 1.5 ha) used for agricultural purposes. After considering the appeal submitted by the owner, the 2nd instance authority - the Minister of Development maintained the decision of the Governor of Podkarpackie Province. The party did not exercise its right to lodge a complaint to the administrative court. In the case, due to the refusal to accept the compensation, the compensation was deposited in court.

10.3.7. Compensation - no possibility of payment.

When fulfilling the obligation to pay compensation due to a party, often the entity obliged to pay it does not have the legal or factual possibility to pay the established compensation for the area taken over for the public purpose. Such situations occur both when the party is not satisfied with the compensation obtained and has exhausted the appeal procedures, and when the amount of compensation is not disputed, but due to the circumstances on the part of the property owner it is not possible to pay compensation. The Special Act does not regulate this issue, therefore pursuant to Article 30 of the Special Act and Article 20(8) of the Special Act, Article 133 of the RPMA shall apply, which provides that compensation shall be paid into a court deposit if the entitled person refuses to accept it or if the payment of compensation encounters obstacles which are difficult to overcome or compensation for expropriation concerns property of unregulated legal status. Submission to a court deposit has the same effect as the fulfilment of performance. The common court decides on the acceptance of the deposit and then, at the request of the person entitled to receive compensation, allows the deposit to be liquidated and the party to collect the funds due to it.

Project: a relatively large number of plots with an unregulated legal status is noted in respect of the Project. In connection with the above, after the Governor has conducted an explanatory procedure, the Investor was obliged to submit the due compensation to the court deposit. 38 deposit cases were instituted for the project covering 66 plots with a total area of 5.6875 ha (value approx. PLN 0.4 million)

Compensation was deposited in a court deposit: for 65 plots due to unregulated legal status, for 1 plot due to refusal to accept compensation.

10.3.8. Determining restrictions to property management.

The IPIP decision may determine the properties, or parts thereof, that are part of the investment, identified as necessary for its functioning (which do not become the property of the State Treasury or a local government unit or are not covered by the ownership or perpetual usufruct rights of the Institute of Meteorology and Water Management - State Research Institute) - to which use is permanently restricted. The scope of this permanent limitation depends on the specific conditions of a given flood protection project. The owner or perpetual usufructuary of the property indicated as necessary for its functioning, may demand the purchase of the property by the State Treasury, a local government unit or the Institute of Meteorology and Water Management - National Research Institute, by submitting an application within 90 days from the date of receipt of the notice of initiating the procedure for the issuance of the investment project implementation permit decision.

With respect to the Project, the properties necessary for functioning were not determined as per the IPIP Decision.

In addition, the IPIP Decision may introduce restrictions on the use of a property under Article 9(8)(f) of the Special Act. In this case, it is not about the properties necessary for the functioning of the flood protection investment, but about other restrictions, the introduction of which is necessary for the proper execution of construction works, however, it does not require the Investor to purchase the land. The owner or perpetual usufructuary will have the right to receive compensation for this. The basis will be the provisions of Articles 124(4) and 128(4) of the RPMA, which will apply by reference to Article 30 of the Special Act. The compensation is determined by an administrative decision of the authority competent to issue the IPIP decision (this regulation does not explicitly result from the regulations, but is the view resulting from administrative courts' awards).

Project: The properties, for which the IPIP decision restricts the use of the properties, were not indicated for the project.

10.3.9. Right to commence construction works before the IPIP decision becomes final.

The legislator has endowed the public investor with the possibility to start construction works before the decision permitting the construction (IPIP) becomes final (Article 25 of the Special Act). In justified cases - in the case of social or economic interest - the competent authority (Governor) gives the decision the clause of immediate enforcement. For the Project, the IPIP decision was awarded the clause of immediate enforcement, but in the absence of appeals it also became final (4.10.2019)

Project: the right to commence construction works before the IPIP decision becomes final has not been exercised.

10.3.10. Approval of the draft division of properties.

In accordance with the provisions of the Special Act, where part of the property is exclusively necessary for the purpose of the investment, by virtue of such regulations, the authority in the IPIP Decision approves the proposed division of the property. The above solution is a special solution, allowing to expedite the investment preparation process.

Project: under the Project, the IPIP Decision approved the division of 173 plots.

10.3.11. Acquisition of properties outside the investment area, for the purpose of exchange.

The Special Act allows the investor to acquire properties outside the investment area for the purpose of exchanging them for properties located within the investment area or for separating such properties in the merger and exchange proceedings (Article 23(1) of the Special Act). The right indicated above allows the investor to purchase land outside the area of investment, and further to exchange it for land located in the area of investment. The above allows to increase the base of land to be exchanged, according to the assumed preference for compensation in the form of "land for land".

Project: Due to the scale of land acquisition, there was no need to use this type of activities.

10.3.12. Acquisition of so called "remnants" (Article 23(2) of the Special Act).

If part of a property is acquired, and the remaining part is not suitable for the correct use for existing purposes (the so called "remnant"), the Investor,

upon a request of its owner or perpetual usufructuary, is obliged to purchase that part of the property.

The activity in this respect is directly related by the rule to the division of a property, which divides the property into the part necessary for the investment and the remaining part. This mentioned remaining part is the so-called "remnant". The basic and actually the only criterion is that the remnant cannot be used properly for the existing purposes. The evaluation is made by the applicant - owner, when submitting the application for the buyout of the remnant, and is verified by the Investor as the entity obliged to purchase, if the prerequisites specified in the beginning are met.

The remnants are acquired by means of a civil law contract. Estimation of the property value is based on a valuation prepared by a property appraiser.

Project: at the time of preparing the LA&RAP, there were no applications for the buyout of remnants.

10.3.13. Expiry of obligation and administrative rights.

In accordance with Article 26 of the Special Act, the investment project implementation permit decision is the basis for the governor to issue a decision on the expiry of the permanent administration established on the property intended for the investment, which is owned by the State Treasury or a local government unit. However, obligation rights to a property such as the lease, rental or lending of a property intended for an investment, being a property of the State Treasury or a local authority unit, expire after 30 days from the day on which the decision on investment project implementation permit becomes final. The expiry of obligation rights is connected with the right to compensation for losses suffered by a party as a result of the expiry of the aforementioned agreements.

Project: there are no reported cases where the regulation would apply.

10.3.14. Acquisition of family allotment gardens for investment purposes.

The Polish legal system regulates in a special manner the issues related to the liquidation of some or all of the land occupied by family allotment gardens (Act of December 13, 2013 on family allotment gardens, i.e. Journal of Laws of 2017, item 2176). Basically, the acquisition of allotment gardens for investment purposes requires the indication of a replacement property, restoration of the allotment garden and payment of compensation to the garden association (managing a given allotment garden) and the allotment holders. Under the Special Act, the investor's obligations do not include the obligation to restore the allotment garden (Article 18 and 21(10) of the Special-Act).

Project: no family allotment gardens are planned for liquidation.

10.3.15. Disclosure of PGW Polish Waters' rights in the land and mortgage registers.

The acquisition of a property on the basis of the IPIP decision requires disclosure of the PGW Polish Waters' right in the land and mortgage registers. The disclosure of these rights is an obligation of the property owner (the State Treasury on behalf of which the rights of the owner are exercised by SWP PW). Failure to disclose the rights or unjustified prolongation of this process may have a negative impact on the possibility of management of the properties by the existing owners in a situation where a part of the property was taken over for the benefit of the State Treasury or other property of a given owner is also in the land and mortgage register.

Project: the activity under implementation by the Investor.

10.4. Adopted mechanisms of obtaining rights to properties

A number of inconsistencies between OP 4.12 and the Polish law were identified in the LARPF: OP 4.12	Polish law	Corrective instruments
Lack of a legal title to the land should not bar the receipt / disbursement of compensation. People without legal title are eligible for compensation.	The Polish legal system does not account for the right to compensation for land owners/users who do not hold a legal title to it (with the exception of people whose legal title to a property was lost or who acquired the right to the property through usucapion, i.e. a method for gaining ownership of property by uninterrupted possession of the property for a period defined in the CC act).	For persons who do not hold a legal title to a property affected by the consequences of Task performance, each such case should be considered in accordance with its own merits, in terms of possibilities to apply the general mechanisms stemming from the Civil Code to achieve OP 4.12 objectives. According to OP 4.12, project affected persons who do not hold a legal title to the property are not entitled to receive financial compensation for the property. However, they are entitled to receive compensation for all objects, crops and property improvements performed before the cut-off date and for appropriate solutions in cases where they will have to be physically or economically displaced. In such cases appropriate mitigating measures can be applied.
WB Policy requires compensation for the loss of income (e.g. from business or agricultural activity, etc.) in conjunction with property acquisitions for the needs of the planned Task.	Provisions of Polish law do not foresee compensation on account of a loss of income as a result of Task performance.	Persons who lost income or employment will receive support (health insurance, vocational training etc.) from job centers. For entrepreneurs, it is possible to apply general mechanisms from the Civil Code (covering loss suffered and the profits which are lost).
Particular attention should be paid to vulnerable social groups, such as the poor, the elderly, single mothers, children and ethnic minorities.	Polish law does not require planning specific measures aimed at additionally assisting vulnerable social groups (the elderly, the handicapped, the poor, and other groups with special needs).	The expropriated persons shall receive all the necessary help in obtaining assistance provided to citizens by offices and institutions. Additional measures will be implemented as needed to ensure that the objectives of OP 4.12 are met.
WB Policy requires additional compensation of expenses incurred by PAP as a result of physical relocation (e.g. transport of materials) and assistance in implementing the resettlement.	Assistance regarding incurring costs of relocation and other similar costs resulting from the necessity to move to a new location by the citizens and enterprises is not envisaged.	In order to cover the costs of relocation and other similar costs, it is possible to apply general mechanisms from the Civil Code in a manner that achieves the objectives of OP 4.12.
The compensation should be paid prior to physical occupation of the land for the purposes of implementation of the Task.	The Special Flood Act allows for occupying the land and commencing works before the compensation is paid.	In all cases, no works shall begin until it is confirmed that the Project Affected Person has been informed about the commencement of works in advance, compensation has been paid and

A number of inconsistencies between OP 4.12 and the Polish law were identified in the LARPF: OP 4.12	Polish law	Corrective instruments
		<p>permission to enter the land has been granted.</p> <p>The only exceptions are cases where appeal proceedings have been initiated due to negotiation failure, owner absence or the impossibility of determining the owners. In such a case, the amount will be transferred to a court deposit and placed in a court's escrow account. To minimize the risk of starting works before compensating for losses the project will plan and conduct land acquisition well in advance of starting construction.</p>
<p>Compensation for the loss of assets is based on their market value plus any transaction costs (e.g. taxes and registration fees) and the objective is for the compensation to be enough to effectively replace the affected asset (replacement value).</p>	<p>Applied methods of valuation may lead to lowering the value of the property as compared to prices of similar property on the local market.</p>	<p>The valuation of the property will be conducted by an independent and experienced appraiser. Expert opinion should be verified by PIU. The expropriated party should be granted proper amount of time to get familiar with the appraiser's opinion. Should there be any doubts regarding the sufficiency of the due amount of compensation, value of the property should be estimated by an independent appraiser in the proceeding with the Governor.</p> <p>In all cases effective replacement value will be achieved.</p>
<p>It is required to prepare a socio-economic study, LA&RAP, and monitor of compensation, resettlement and livelihood restoration measures as well as evaluation of their efficiency.</p>	<p>Provisions of Polish law do not account for obligation to gather a socio-economic study and prepare a LA&RAP as such and there is no obligation of monitoring or evaluation of their effectiveness. There is no obligation to monitor and evaluate their implementation.</p>	<p>Socio-economic studies and Resettlement Action Plans will be prepared based on the LA&RAP in line with OP 4.12 and good practices.</p>

10.5. Valuation principles

The current owner, holder of perpetual usufruct right to land or a part of the land which is necessary for Contract's implementation is entitled to compensation for the transfer of ownership of the property to

the State Treasury. In all cases, compensation must meet the principle of a replacement value which means the amount needed to replace asset without depreciation of asset due to age, condition, or any other factor. This tends to be based on market value of the property and related assets (e.g. crops or other elements) increased by a transaction cost required to replace it, such as taxes and other fees. Compensation is determined on the basis of a valuation by a property appraiser and a team of property appraisers as required.

According to the OP 4.12, with regard to land and structures, "replacement cost" is defined as follows:

- a) for agricultural land, it is the pre-project or pre-relocation, whichever is higher, market value of land of equal 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;
- b) for land in urban areas, it is the pre-relocation 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; and
- c) for houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes.

With respect to property expropriated for the purposes of performing the Contract, the principles set out in point a) above shall apply.

In determining the replacement cost, the 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. Unless Polish law meets the standard of compensation at full replacement cost, compensation under Polish law is supplemented by additional measures so as to meet the replacement cost standard, such as support after relocation for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living (including sources of income), etc.

The compensation will be determined in the governor's decision. The amount of compensation determined on the day of issuing the IPIP is subject to indexation on the payday, according to the principles applicable in the case of returning the expropriated properties.

10.5.1. Property valuation

The amount of compensation is based on the market value of a property. While ascertaining the market value of the property, the following factors in particular are taken into consideration: its type, location, use and zoning, existing technical infrastructure, overall condition and current market prices. The market value of a property is determined according to its current use, if the use of the property, consistent with the purpose of the Project, does not increase its value. If the data from the local or regional property market allow the appraiser to ascertain the market value of the property, they should apply one of the market approaches, i.e. the sales comparison approach, the income capitalization approach or the combined approach. Should the zoning in accordance with the purpose of the investment increase the property's value, its market value is ascertained according to the alternative use resulting from the new zoning. If the data from the local or regional property market does not allow the appraiser to ascertain the market value of the property, they should ascertain the replacement value of the property on the basis of the cost approach.

If a current owner or perpetual user of a property subject to a decision on the project implementation permit releases such a property, or releases such a property and empties premises and other rooms not later than within 30 days of the date of delivering a notification of issuing an investment project implementation permit with immediate effect, compensation amount shall be increased by 5% of the property value or the value of perpetual usufruct law.

Project: the compensation increased by 5% in value was paid for 65 plots (the value of the increased compensation totaled PLN 19690.50).

10.5.2. Valuation of plants and crops

The valuation of tree stand or tree cover, if the tree stand includes usable resources, will involve the valuation of timber in the tree stand. If the tree stand includes no usable resources or if the value of obtainable timber is exceeded by the costs of reforestation and maintenance of the tree stand, the valuation concerns the costs of reforestation and maintenance of the tree stand until the date of expropriation.

The valuation of fields of perennial plants involves the valuation of the costs of establishing the field and its maintenance until the first crop as well as of the lost profit in the period from the day of expropriation until the completion of the full yield. The aggregate of costs and the value of lost profits are reduced by the sum of the yearly depreciation charge resulting from the period of using the field from the first year of yield until the date of expropriation.

When determining the value of sowings, crops and other annual harvests, the value of the forecast yields at marketable prices is estimated, reducing it by the value of the inputs needed for harvesting such crops.

Project: compensation worth PLN 10646.00 for plant components was paid for 74 plots.

10.5.3. Valuation method for structures

For the purpose of determining the value of buildings forming a subject of ownership separated from the ground, one may apply cost approach, replacement cost method, indicator technique. A cost approach consists in determining a value of a property assuming that such a value corresponds with the costs of its restoration (replacement). A value of land constituents is assumed as an amount equivalent to the costs of their restoration or substitution. A key of the cost approach is assuming that a property acquirer will not pay for such a property more than the costs of erecting a building property in the same technology or function in the same location. A consequence of the above assumption is the specification of two types of costs:

- restoration cost,
- replacement cost.

In order to apply the replacement cost method, it is necessary to be in possession of technical data on the structures under valuation, data on the prices for materials and construction works. The replacement cost means the cost of constructing object similar (exact copy) with the object being subject to valuation. While estimating a value of such a structure, a property appraiser takes into consideration the same design, equipment, quality of construction works and takes into account all defects, shortcomings as well as required elements of equipment or construction, or materials which are out of use. Replacement costs also include the costs of building additional installations strictly connected with the structure under valuation, preparation and ordering of the area and the costs of drawing up design documentation and construction supervision. Therefore, while estimating structure replacement costs, it is necessary to provide the costs valid as of the day of valuation of building its copy. If materials which were used to build such a structure are no longer available on the market, while estimating a value, it is necessary to consider the prices for materials as similar to the materials used as possible.

Project: compensation was paid for fences and foundations, in total for 7 plots (value of PLN 25351.00).

10.5.4. Valuation of remaining assets

The remaining assets related to a property are civil profits, that is income from a property gained on the basis of a legal relationship. When valuating rights under contracts (including the rights of lease, usufruct, tenancy, lending and life annuity) and their impact on the property, the property appraiser may in particular consider the following elements:

- type, nature, scope and duration of the contract,
- relevant provisions of the law,
- form of payment,
- type and amount of other payments,
- method and dates of payment of rent and other payments,
- rights and obligations arising out of contracts,
- the parties' claims related to the settlement of expenditures on the property, and
- available information concerning the valuated property and the particular section of the market involving obligations.

Project: no compensation was paid on this account.

10.5.5. Valuation of compensation for permanent restrictions and restrictions under Article 9(8)(E) of the Special Act

In the case of the valuation of compensation for permanent restrictions and restrictions under Article 9(8)(e) of the Special Act, two types of events exist in general:

- *stricte sens* damage connected with the execution of construction works on the property, as a result of which the owner had a limited possibility to use the property or damage to the property occurred (e.g. destruction of vegetation, fences, etc.) and
- damages resulting from the formal and legal restrictions imposed (use, development, removing third party access).

The rules governing the valuation of damage to a property are set out in the Regulation of the Council of Ministers of September 21, 2004 on the evaluation of properties and development of estimates (§ 43). According to these provisions, when determining the value of damage to a property referred to in Article 128(4) of the RPMA, which is referred to in connection with the reference contained in Article 30 of the Special Act, particular account shall be taken of:

- 1) the state of property development as at the date of issuing the decision on expropriation, restriction of use or permission for temporary acquisition of the property, respectively, and the state of property development as at the date of completion of activities justifying the decision;
- 2) loss of benefits in the period from the date of issuing the decision to the date of completion of the measures justifying it.

However, when determining the reduction in the property value, account shall be taken of the following:

- 1) change in the conditions of use of the property;
- 2) change of usefulness of the property;
- 3) permanent restriction in the use of the property;
- 4) the consequences caused by the obligation to make the property available for the purpose of carrying out the activities related to maintenance and removing the failure of lines, pipes and equipment (referred to in Article 124(1) of the RPMA).

Project: The IPIP Decision does not introduce permanent restrictions and restrictions pursuant to Article 9(8)(e) of the Special Act. The reconstruction of power lines carried out as part of an investment outside the splitting lines (the plots indicated in point 2 on page 4 of the IPIP Decision and point X on page 24 of the IPIP Decision) may cause damage to the extent referred to above (the damage in this case is calculated after completion of the construction works). The investor has agreed on the conditions of land acquisition under civil contracts.

11. Eligibility criteria and entitlement matrix

11.1. Eligibility criteria

In line with the World Bank's policy, the following two groups of people are eligible for compensation and assistance in connection with land acquisition resulting in loss of assets and economic and/or physical relocation:

- a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
- b) those who do not have a formal legal title at the time the census begins but have a claim to the land or assets, provided that such claims are recognized under the laws of the country or become recognized during the works on the LA&RAP;
- c) and those who have no recognizable legal right or claim to the land they are occupying.

Persons under paragraph (a) or (b) above should receive compensation for the land they lose, and other assistance. Persons under paragraph (c) should be provided with resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives of OP 4.12, if they occupy the project area prior to a cut-off date. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in paragraphs (a), (b), or (c) are provided with compensation for loss of assets other than land.

Thus, the lack of a title in land as such should not preclude the eligibility for compensation or other assistance offered in connection with the acquisition of land. It should be emphasized that in this case there is no group of people considered as a part of the group c without a legal title to land. However, there are entities which do not have a regulated legal status for a property. In this case, the compensation has been established (Governor) and paid to a court deposit from where the persons entitled, upon presentation of their legal title to the property, will be able to collect the compensation due (see also 10.3.7.).

11.2. Catalogue of entitled persons

The following groups of the Project Affected Persons are eligible for compensation under the rules adopted in the LA&RAP:

- PAPs having ownership or perpetual usufruct of property on the Project area;
- PAPs being lessees, tenants and other dependent possessors of property in the Project's area;

- PAPs being possessors of limited property rights in property;
- owners of crops, plants, structures and other constructions attached to the land, and not being owners or perpetual usufructuaries of the land;
- residents of houses and flats subject to resettlement;
- PAPs who lose their income, pay or ability to carry out business activity due to the Project's implementation;
- PAPs being illegal possessors of property in the Project's area who have no legal title and no expectant right to obtain a legal title.

As at the LA&RAP preparation date, the following groups of people entitled to compensation were identified for the Project:

- PAP being owners or holders of perpetual usufruct rights on the Project implementation area (conc. permanent acquisition and restrictions);

The following categories of persons entitled to compensation and assistance were not identified:

- PAPs being lessees, tenants, life annuitants and other dependent possessors of property in the Project's area;
- PAPs - residents of houses and flats subject to resettlement,
- PAPs who lose their income, pay or ability to carry out business activity due to the Project's implementation;
- PAPs being illegal possessors of property in the Project's area who have no legal title and no expectant right to obtain a legal title.

PAPs are entitled to receive compensation for the following categories of effects/losses:

- **permanent loss of the property ownership right**
 - concerns 234 plots owned by natural persons prior to the IPIP decision becoming final (152 plots with the area of 7,9662 ha) or legal persons (here Gorzyce Commune 82 plots with the area of 6,9423 ha);
 - concerns a part of the plots with a relatively small area which is not significant for the owners' business activity so far;
 - concerns property used for agricultural purposes;
 - compensation was granted in the form of cash compensation, PAP did not express an intention to receive compensation in the form of "land for land";
 - the compensation corresponded to the market value of the expropriated property or part thereof.

- for the release of the property, within the time limit specified in the Special Act, with respect to 65 plots, the compensation was increased by an amount corresponding to 5% of the value of the expropriated property (including 18 natural persons, 47 communal persons);
- no holders have been identified on the PAP project site possessing the properties as owners;
- **restriction in the current use of properties**
 - does not exist on the project site,
 - as a rule, are compensated in cash, taking into account the damage caused and loss of market value of the property; depending on the case, specially selected protective measures will also be offered;
- **buildings and non-residential structures**
 - do not exist on the Project site
 - owners and users of buildings and structures are compensated as for the permanent loss of property; within the framework of the protective measures the Investor will propose the reconstruction of infrastructure networks - and where appropriate - of structures and buildings at the expense of Investor; in addition, in case of local government units which have implemented or are implementing the affected buildings and structures by use of funds from the budget of the European Union or other foreign sources, receive financial compensation increased by the amount of refundable funds of co-financing together with accrued interest;
- **loss of crops and tree stand**
 - in principle, the property ownership right was not included in the valuation as a separate subject of claims;
 - the claim may be made by an entity that is not the owner or perpetual usufructuary - the issue does not occur on the Project site;
 - damages to crops and tree stand may occur in connection with the Contractor's activity who will temporarily, in agreement with the owner and at his own expense, occupy the land for the purpose of performing construction works - the task of concluding agreements by the Contractor, payment of compensation, cleaning up of the temporarily occupied land will be monitored by PIO;
- **impact on entrepreneurs and employment**
 - not identified on the Project site;
 - in principle, will be compensated in cash by compensation for the damage actually incurred by an enterprise and a profit lost as a result of the Task

implementation. Billing and accounting documents or corporate income tax returns should be the grounds for the determination of such values. Should employees lose their work, they will receive unemployment benefits. Both employees as well as contractors working under civil-law contracts, in case of loss of earning capacity, will receive free-of-charge health insurance, assistance in search for work and help in the form of retraining vocational training aimed at finding new employment;

- **Temporary acquisition of property**
 - Temporary acquisition of property and the related entitlement to compensation under the project shall be carried out by PIU with respect to activities related to reconstruction of the power line - with respect to these plots of land, PIU has entered into contracts with the landowners regulating the issues of land acquisition or, separately, the Contractor shall pay compensation/rent for temporary acquisition of property for construction purposes but related to the technology adopted by the Contractor for the execution of construction works;
 - After the completion of construction activities, all properties will be restored to their original state; and if this is not possible for any reason, the owner will receive appropriate compensation or may demand the acquisition of the property or parts thereof.
- **Damage to houses, buildings and structures due to construction works (e.g. vibration, etc.)**
 - The Contractor is responsible for damages related to construction works;
 - The Contractor is obliged to enter into civil liability insurance contracts for possible damages caused by construction works;
 - The Contractor should estimate the extent of the impact of construction works and make an appropriate inventory of buildings, roads and other infrastructure that may be affected by the works;
 - The Contractor should immediately provide information to the person reporting the damage and provide information on how the claims will be handled to the Investor;
 - The Investor should monitor the process of the Contractor's performance of the obligations indicated above;
 - Damages will be compensated according to their nature in order to make the restoration of the full substance of the affected object or the purchase of a new one possible.

11.3. Entitlement matrix

Impacts/losses	Identification of PAP	Compensation
Permanent loss of land	Owners, perpetual usufructuaries,	<ul style="list-style-type: none"> • compensation in the form of “land for land”; • if compensation in the form of "land for land" is not possible or undesirable, cash compensation; • coverage of any transaction costs.
	Entitled on account of a limited property right – use, easement, life annuity	<ul style="list-style-type: none"> • compensation in money for the loss of the right to the property; • the right to assistance in obtaining an appropriate right of easement or right to land according to the individual circumstances of the case.
	Lessees, tenants	<ul style="list-style-type: none"> • compensation in money for the losses incurred in connection with the agreement expiration, loss of crops;
	Autonomous possessors	<ul style="list-style-type: none"> • the right to protection of possession; • the right to support for regulation of legal status; • the right to receive compensation for the loss of autonomous possession.
	Illegal possessor of property	<ul style="list-style-type: none"> • no compensation for loss of property • support in obtaining adequate institutional support if the loss of property causes the loss of income (necessity of additional diagnosing and monitoring of such cases)
	Illegal possessors of servitude (if identified)	<ul style="list-style-type: none"> • for illegal possessors of servitude - support in finding a solution enabling the use of a given property.
Residential buildings	Owners	<ul style="list-style-type: none"> • compensation in the form of “land for land”; • if compensation in the form of "land for land" is not possible or undesirable, cash compensation for the lost property, • coverage of any transaction costs; • coverage of costs related to the

Impacts/losses	Identification of PAP	Compensation
		resettlement process; <ul style="list-style-type: none"> • assistance in finding the place of residence, or • providing accommodation by the Investor; • institutional and social support for the resettled.
	Holders without legal title	<ul style="list-style-type: none"> • support in legalizing possession in order to compensate on terms of owners and legal holders; • coverage of costs related to the resettlement process; • assistance in finding the place of residence, or • providing accommodation by the Investor; • institutional and social support for the resettled.
	Leaseholders, tenants, users of properties	<ul style="list-style-type: none"> • compensation in money for the losses in connection with the agreement expiration; • coverage of transaction costs; • coverage of costs related to the resettlement process; • assistance in finding the place of residence, or • providing accommodation by the Investor; • institutional and social support for the resettled.
	Entitled on account of a limited property right, holders of life annuity	<ul style="list-style-type: none"> • coverage of costs related to the resettlement process; • assistance in finding the place of residence, or • providing accommodation by the Investor; • institutional and social support for the resettled.
Permanent restriction in use of the property	Owners, perpetual usufructuaries, tenants, holders	<ul style="list-style-type: none"> • compensation in money for the loss of rights to property usufruct, • proposing institutional support and advice on other uses of the property,
Temporary restriction in use of the	Owners, perpetual usufructuaries, tenants, holders	<ul style="list-style-type: none"> • cash compensation for losses associated with temporary restriction in the use of properties.

Impacts/losses	Identification of PAP	Compensation
property (for reconstruction of networks)		
Non-residential buildings and structure (auxiliary buildings, fencing; technical infrastructure, etc.)	Owners, perpetual usufructuaries, tenants, holders	<ul style="list-style-type: none"> • compensation in money in the amount of the replacement value for the lost assets, • transfer or reconstruction of lost assets.
Loss of crops or trees	Owners, perpetual usufructuaries, tenants, holders	<ul style="list-style-type: none"> • Compensation in money, including the costs of seeding and caring for the crops as well as the profits lost, • enabling the harvesting of crops.
Loss or restricted access to social infrastructure, (if any)	All PAPs residing on area covered by results of implementation of Contract	<ul style="list-style-type: none"> • reconstruction of social infrastructure on a different area, • If infrastructure reconstruction on a different area is impossible or unfounded – providing access to the existing social infrastructure. • Temporary provision of recreation sites.
Assets of territorial self-government units	Commune, District, Province, Associations and associations of territorial self-government units	<ul style="list-style-type: none"> • Reconstruction or replacement of destroyed facilities upon consultations.
Impact on business and employment due to land acquisition	Entrepreneurs	<ul style="list-style-type: none"> • cash compensation for lost income during the period of transition; • institutional support for people liquidating their business activity • Granting “land for land” compensation on the conditions enabling the continuation of agricultural/orchard activity or compensation, • Compensation in money enabling starting an agricultural/orchard activity on a new property.
Temporary acquisition of property by the Contractor of construction works	Owners, perpetual usufructuaries, tenants, holders	<ul style="list-style-type: none"> • compensation in money, • Recovering the property to its initial condition.
	Illegal possessors of property	<ul style="list-style-type: none"> • Recovering the property to its initial condition.

12. Social consultations and public participation

The Investor conducted and conducts actions aiming to engage the community in the development and implementation of the LA&RAP. Engagement of the local community is treated as one continuous process spread out in time, the correct performance of which should facilitate a minimization of risks associated with the potential social conflict for the Contract.

12.1. STAGE: obtaining an environmental decision

An application for issuing the environmental decision was submitted by the Marshal of Podkarpackie Province (the legal predecessor in the proceedings whose competence according to law was taken over by PGW Polish Waters) on August 31, 2015 to the competent administrative body - Regional Director for Environmental Protection in Rzeszów.

Information on the application, according to the act (UOOS) was included in a publicly available register of data concerning documents including information on the environment and its protection kept by the Regional Director for Environmental Protection in Rzeszów, i.e. in the information sheet no. 1003/2015. The Regional Director for Environmental Protection in Rzeszów, by the notice of 8 September 2015, ref. WOOŚ.4233.4.2015.MG.5, notified the parties to the proceedings on initiating the procedure on issuing the decision on environmental conditions.

Information on the environmental impact assessment report submitted by the Investor was included in a publicly available register of data concerning documents including information on the environment and its protection kept by the Regional Director for Environmental Protection in Rzeszów, i.e. in the information sheet no. 1070/2016.

As part of the proceedings conducted, public participation in the procedure was ensured from 11 April 2017 to 10 May 2017 by providing an opportunity to review the materials in the case, submit comments or motions. The notice (information) about the above was placed on the notice board and the website of the Regional Directorate for Environmental Protection in Rzeszów, on the notice board and the website of the investor, near the place of project implementation and on the website of the Gorzyce Commune Office. As can be seen from the content of the environmental decision, the body has not received any comments or motions related to the project in question.

Before issuing the decision on environmental conditions, the parties were informed (through the RDOŚ notice in the scope as above) of the possibility to review the collected evidence in the case before issuing the decision. No party submitted comments.

The body notified the parties to the proceedings of the environmental decision by way of notices (on the notice board and the website of the Regional Directorate for Environmental Protection in Rzeszów, the

notice board and the Investor's website, at the place of project implementation and on the website of the Gorzyce Commune). The decision of RDOŚ was not appealed against.

12.2.STAGE: the decision on the investment project implementation permit

An application for issuing the environmental decision was submitted by the PGW Polish Waters on July 4, 2019 to the competent authority, the Governor of Podkarpackie Province.

By the letter of 31 July 2019, the authority notified the applicant, and the owners and perpetual usufructuaries indicated in the application of the initiation of the procedure for issuing the IPIP decision. Pursuant to the content of the IPIP “no objections to the planned investments were raised in the course of conducting the proceedings for the decision on the investment project implementation permit”.

The Governor issued the IPIP decision for the Project on August 28, 2020. Pursuant to Article 10(1) and 2 of the Special Act, the Governor delivered the decision on the investment project implementation permit to the applicant and notified the other parties by way of announcements in the provincial office and the commune office competent for the location of the investment, on the websites of the commune, as well as in the local press. The notice was sent to the existing owner and perpetual usufructuary at the address indicated in the property cadaster. The notice indicates where the content of the decision can be viewed, moreover, the Governor informed that the owner or perpetual usufructuary may release the property to the investor within 30 days from the date of delivery of the IPIP decision, and then the amount of compensation will be increased by an amount equal to 5% of the value of the property or perpetual usufruct right. None of the parties has appealed against the Governor's decision.

12.3. STAGE: determining the compensation and preparation for performance of construction works.

At the stage of determining compensation for properties and rights taken over for the benefit of the State Treasury, representatives of PIO contacted the entities entitled to compensation and provided explanations on the issue of due compensation, but also on the method and procedure of Project implementation. In the course of the compensation proceedings conducted by the Province Governor, the parties were notified of the initiation of the proceedings, of the collection of evidence in the case

and were notified of the decision on compensation. An appeal was lodged against the decision on compensation in one case. In the second instance, the decision on compensation was upheld.

In a situation where the compensation proceedings concerned a property with an unregulated legal status, the Governor informed about the administrative proceedings by an announcement on the website of the public information bulletin of the Podkarpackie Province Office for 14 days and on the notice board of the Gorzyce Commune Office. In the same way, through a public announcement, the Governor also informed about the decision on compensation.

At the stage of preparation for the execution of construction works, when the conclusion of an agreement for the execution of construction works will be determined, PIO will notify the property owners (perpetual usufructuaries) about the planned commencement of construction works. At the same time, the persons from PIO competent to contact in matters concerning the occupation of the land should be indicated.

12.4. STAGE: preparation and publication of the LA&RAP

When performing a socio-economic study for the purposes of the LA&RAP, property owners (perpetual usufructuaries) were given the opportunity to answer closed and open questions. Stakeholders were also given the opportunity to contact with regard to matters concerning the preparation of the Investment. Issues related to the study are discussed in a separate chapter.

After concluding the works on the LA&RAP, the public disclosure procedure for the LA&RAP draft has been commenced. Due to the state of epidemic risk and for the sake of safety and health of the PAP and PIO employees and consultants, it was not possible to consult the LA&RAP in the form of open direct meetings, as it was then not possible to organize meetings under this formula. The consultations in question have been conducted in a correspondence form, using available (safe) communication channels.

The public consultations have been conducted in accordance with the schedule, from January 22 to February 12, 2021.

Disclosure of the LA&RAP draft has been done through the following:

- Publication of the announcement on public consultations in "Nowiny" (local newspaper) on 01/22/2021 – in a paper issue and in an electronic issue;
- Individual notification via information letter sent to owners of the properties about public consultations on the LA&RAP draft – submitted with registered mail on 01/21/2021;

- Displaying the announcement about public consultations on 01/22/2021 (including an information poster) on notice boards at:
 - PGW Polish Waters RZGW in Rzeszów,
 - Commune Office in Gorzyce,
 - District Starosty in Tarnobrzeg,
 - Notice board in Gorzyce (performance site),
 - Notice board in Orlika (performance site),
 - Notice board in Sokolniki (performance site),
 - Notice board in Zalesie Gorzyckie (performance site),
- Publication of the announcement on public consultations in social media on 01/22/2021: <https://www.facebook.com/GorzyceFace>,
- Publication of the announcement on public consultations with the draft LA&RAP at the following websites:
 - PGW WP RZGW in Rzeszów at (<https://rzeszow.wody.gov.pl/aktualnosci/>),
 - Odra-Vistula Flood Management Project Coordination Unit at (<http://odrapcu2019.odrapcu.pl/ogloszenia/>),
 - Commune Office of Gorzyce at (<https://www.gminagorzyce.pl>),
 - District Starosty in Tarnobrzeg at (<https://www.tarnobrzeki.pl>).

On February 12, 2021, from 2.00 pm to 4.00 pm a webinar was held, where the draft Land Acquisition and Resettlement Action Plan was presented.

Detailed description of the course of consultations and of notified motions was presented in the Report on Public Consultations, which forms Appendix no. 7 to this LA&RAP.

12.5. STAGE: performance of construction works and completion of works

At the stage of performance of construction works, PIO will provide the persons affected by the effects of the project with an opportunity to contact a designated person, indicating a convenient and direct way of contact. This person will be substantively competent to provide explanations about the Project or to indicate how the matter will be handled.

The second task is related to the monitoring by the PIO of the execution of the obligations of the construction works Contractor with respect to the protection of legitimate interests of third parties. In the IPIP decision, the Province Governor of Podkarpackie stipulates that the conditions resulting from the applicable construction law should be considered for the implementation of the Investment, in

particular by ensuring respect for the legitimate interests of third parties in the impact area of the facility, including ensuring access to the public road and the possibility of using the existing technical infrastructure facilities.

At the completion stage of the Project, the PIO will analyze the implementation of obligations resulting from legal regulations and imposed by administrative decisions. In addition, at this stage, an analysis will be carried out of the performance by the Contractor of construction works of all obligations under the contracts related to the temporary provision of land, which were obtained by the Contractor of construction works during the construction works.

12.6. Project Stakeholders

The flow of information between the investor and stakeholders is the basis for ensuring effective consultation and public involvement in the Project, therefore the Investor in the first place took actions to identify the stakeholders.

Table 9: identification of stakeholders participating in public consultations, units affecting the development and implementation of LA&RAP.

External stakeholder	Type of impact on LA&RAP
Competent Minister (as of the date of preparing the IPIP the Minister of Development, Labor and Technology)	<ol style="list-style-type: none"> 1. Consideration of appeal against IPIP 2. Consideration of appeal against the decision establishing the amount of compensation
Regional Director for Environmental Protection in Rzeszów	<ol style="list-style-type: none"> 1. Environmental impact assessment procedure, issuing the decision on environmental conditions.
Marshal of the Świętokrzyskie Province (now PGW Polish Waters and for PGW WP – minister in charge of maritime management)	<ol style="list-style-type: none"> 1. Issuance of the water-law permit.
Province Governor of Podkarpackie	<ol style="list-style-type: none"> 1. Issuing the IPIP. 2. Issuing a decision establishing the amount of compensation. 3. Permission to use the investment.
Commune Head of Gorzyce	<ol style="list-style-type: none"> 1. Assistance to identify the needs of the local community. 2. Participation in the public consultation.
District Governor of Tarnobrzeg	<ol style="list-style-type: none"> 1. Assistance to identify the needs of the local community. 2. Participation in the public consultation.
Village Administrators	<ol style="list-style-type: none"> 1. Informing PAP on public consultations. 2. Participation in the public consultation.
Entities deprived of their property rights.	<ol style="list-style-type: none"> 1. Determination of needs and losses incurred in connection with the planned expropriation. 2. Choice of the form of indemnity and compensation.

External stakeholder	Type of impact on LA&RAP
	<ol style="list-style-type: none"> 3. Participation in the public consultation. 4. Participation in the inventory.
Entities adjacent to the investment	<ol style="list-style-type: none"> 1. Right to compensation in the event of impact on the property adjacent to the investment. 2. Participation in the public consultation.
Owners of land that may be temporarily occupied for investment purposes	<ol style="list-style-type: none"> 1. The right to express consent to the provision of land. 2. Right to compensation 3. Participation in the public consultation.

13. Institutional structure and the implementation team

The institutional structure of the team drawing up this LA&RAP is presented on the diagram below:

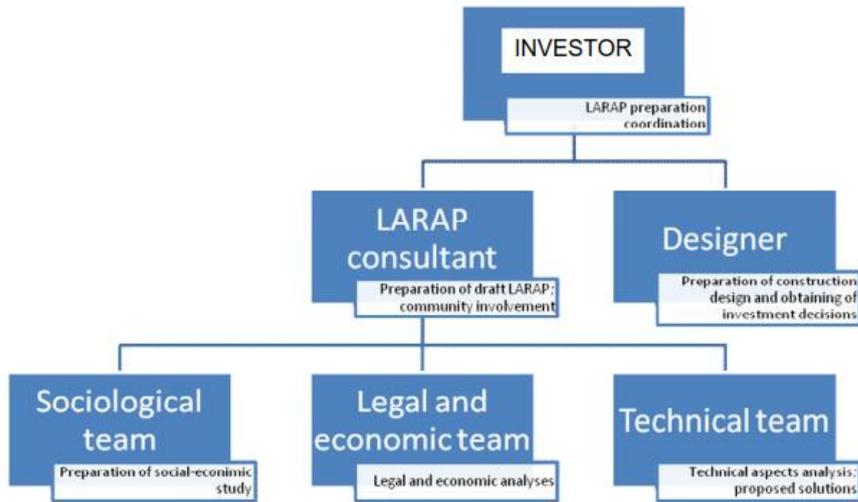


Fig. 10: Institutional structure for the development of LA&RAP.

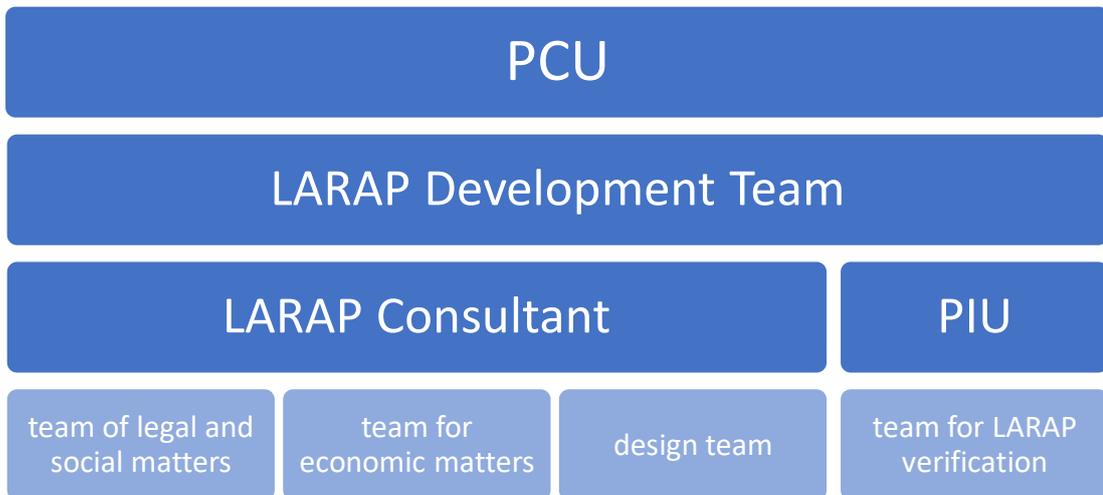


Fig. 11: Institutional structure for the development of LA&RAP showing location within the PCU structure.

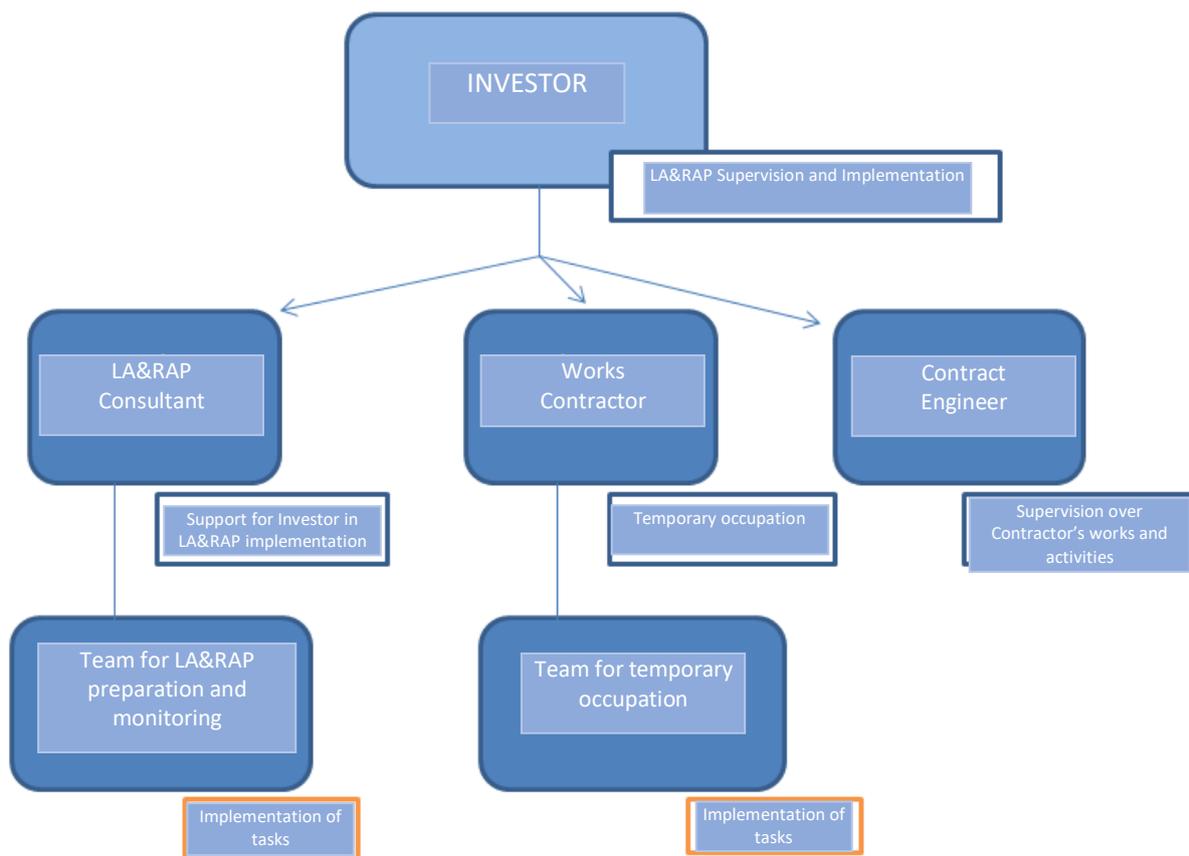


Fig. 12: Institutional structure for implementation of the LA&RAP during Contract implementation.

The scope of competencies of the team drawing up the LA&RAP is as follows:

PGW WP RZGW – LA&RAP preparation coordination:

1. supervision over the preparation of the draft LA&RAP and final version of LA&RAP;
2. ensuring flow of information between the LA&RAP Consultant and the Investor;
3. ensuring the introduction of changes resulting from the preparation of the LA&RAP;
4. coordination of a public consultation process;
5. completion of the compensation payment process;
6. disclosure of PGW Polish Waters’ rights in the land and mortgage registers;
7. taking over the property for the purposes of the Investment,

Consultant – LA&RAP draft preparation:

1. performance of socio-economic research and drawing up of socio-economic study,

2. collection and analysis of data pertaining to property use and development,
3. preparation of draft LA&RAP document;
4. conducting public LA&RAP consultation;
5. preparation of the final version of LA&RAP;
6. suggesting remedies in the event of problematic situations;
7. monitoring the implementation of the LA&RAP, preparing possible updates

Contractor

1. obtainment of properties for the purpose of temporary acquisition,
2. disbursement of compensation for properties acquired for temporary acquisition,
3. execution of works on areas transferred to the Contractor as a construction site,
4. reinstatement of properties acquired for temporary acquisition to the state prior to the Task implementation.

PCU

1. coordination of activities undertaken by the PIU in the framework of the Project implementation, including the implementation of the LA&RAP provisions.

14. Complaint and motion management mechanism

For the LA&RAP project purposes, the rule was accepted that the Project Implementation Unit (PIU) will undertake all measures to settle all complaints regarding the Contract in an amicable manner. Mechanism of the complaints management must be differentiated to provide the integration with the administrative procedures obligatory on different stages of the Task preparation.

14.1. General complaint and motion management mechanism

The general complaint and motion management mechanism will be applicable for the following complaints and motions:

- a) submitted during the public consultations regarding the draft LA&RAP;
- b) submitted during IPIP proceedings or the decision about the amount of the compensation directly to the Investor (here with regard to possible changes in the decision or emergency situations);
- c) submitted after the IPIP and/or the decision determining the compensation amount for the expropriated property was issued;
- d) submitted directly to PIU, PCU, PGW Polish Waters or another entity acting on behalf of PAP.

With regard to this mechanism, the general rule adopted by the PIU is the right for submission of the complaint or motion regarding this Task for each person, irrespectively of the fact whether property, rights or assets are placed on the area designed for the implementation of the Contract. Submitting complaints and motions is free of charge. Furthermore, a person submitting a complaint or motion cannot be exposed to any detriment of accusation on that account. Complaints and motions can be submitted in a written, electronic or oral form to the protocol. They can be submitted directly at the PIO seat (PGW WP RZGW in Rzeszow, 17B. Hanasiewicza, 35-103 Rzeszów, or by phone +48 17 853 74 41 or by e-mail: rzyszow@wody.gov.pl) and the Consultant (AECOM Polska Sp. z o.o. 18 Warszawska Street, 35-205 Rzeszów, by phone +48 17 852 12 07 or by e-mail: ik_rzyszow@aecom.com). All complaints and motions will be archived in the appropriate register, with the submission dates, response dates and examination manners. If the examination of a complaint or motion requires the examination and explanation of the case, all needed materials will be collected and all necessary analyses, tests, etc. will be performed. In such case, the response to the complaint or motion will be given within 14 days of the date of its submission. If clarification proceedings will not be necessary a response to a complaint or request will be provided within 7 days of its submission.

In case of very complicated matters and in cases, when the examination of the complaint or motion

needs to introduce some changes to the LA&RAP, the term of the response for the complaint or motion will be extended up to 30 or 60 days (according to APC). If this deadline is too short, the party will be informed of the reason a substantive response to the complaint / motion is not received within the deadline, together with an indication of a date by which such a response will be provided. In the event of the negative settlement of the case, the person submitting a complaint or motion will be comprehensively informed about the reasons of the negative settlement of the case. The general mechanism for managing complaints and motions is shown below:

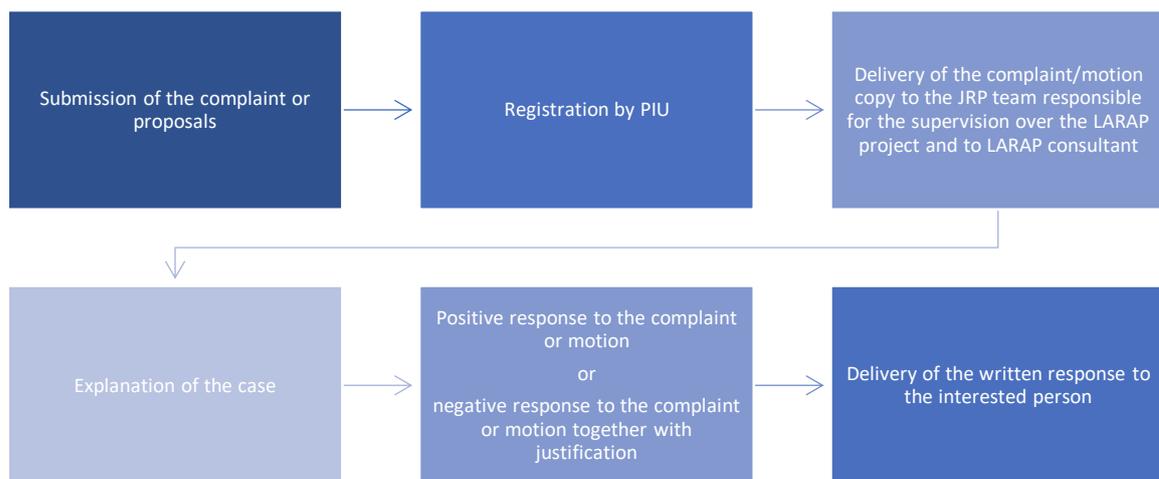


Diagram 13: General complaint and motion management mechanism.

14.2. Specific complaint and motion management mechanisms

Complaint and motion management mechanisms were implemented at the stage of the procedure for issuing the IPIP and determining the compensation for the lost property right. They will be applied at the stage before construction works begin and during that stage.

Persons whose properties are within the contract implementation area shall be parties to the IPIP issuance proceedings. They are entitled to participate free of charge in the IPIP issue proceedings, including submitting comments and motions directly to the Province Governor of Podkarpackie. It should be noted that no motions or comments were received during the course of the procedure.

The parties dissatisfied with the decision issued by the Governor were entitled to lodge an appeal with the Minister of Development, Labor and Technology on the date of the Minister of Investment and

Development's decision. Below in Diagram 5, further appeal levels are shown in the matter of lodging complaints to the decisions issued by the Province Governor and subsequent bodies of appeal.

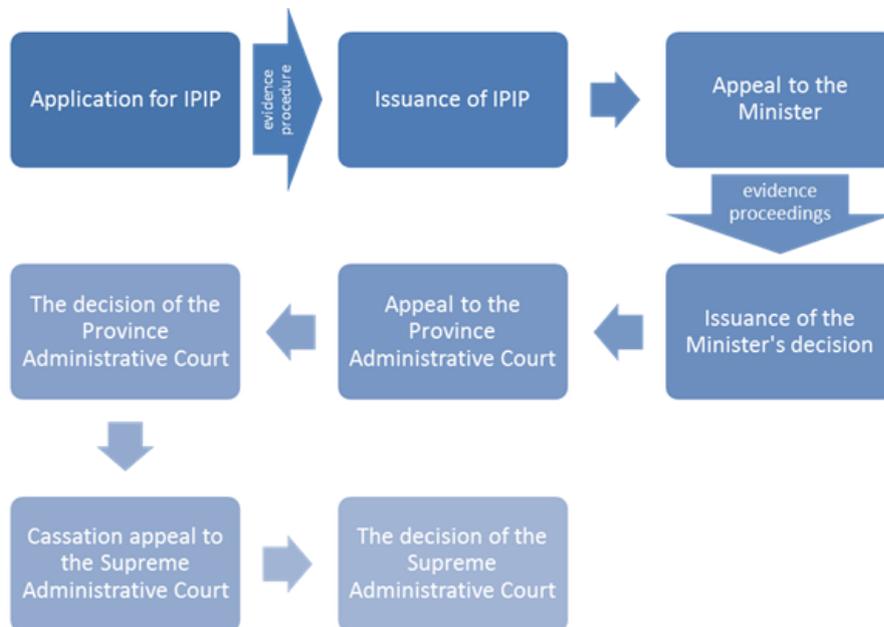


Diagram 14: Complaint management mechanism at the stage of IPIP

Determining the amount of compensation

The party is entitled to compensation for a legally expropriated property. The amount of that compensation shall be established during negotiations between PGW WP RZGW and the previous owner or perpetual user or a person who has a limited property right. The amount of compensation is determined by authorized property appraisers. The agreements were made in writing (the form reserved by the Act under pain of invalidity).

However, if the agreement in the scope of the compensation amount was not reached within 2 months from the day when IPIP became final, the amount of the compensation was determined by the Province Governor of Podkarpackie in form of an administrative decision.

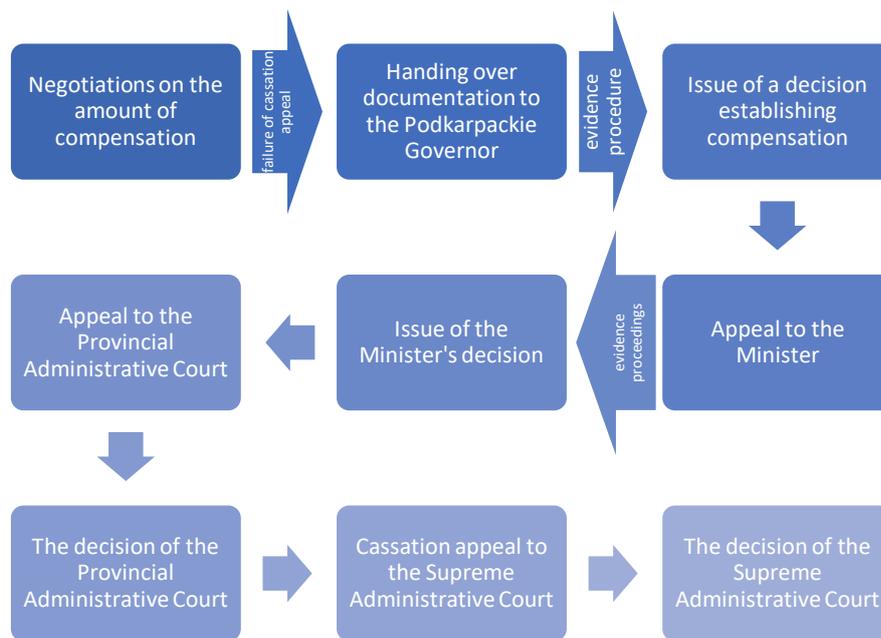


Diagram 15: Complaint management mechanism at the stage of issuing a decision determining the compensation amount and after issuance of IPIP and its final status.

A decision establishing the compensation amount as well as a decision on the project implementation permit may be appealed against by a party through submission of an appeal to the higher level authorities, i.e. to the Minister of Development, Labor and Technology (hereinafter the Minister), Submitting an appeal against that decision is however not an obstacle to pay the compensation to entitled persons – in accordance with Article 21 (11) of the Special Flood Act, the party filing the appeal may file a motion on payment of compensation determined in the compensation decision, and the State Treasury is obliged to pay that amount despite the filed appeal. The payment of the compensation amount does not affect the appeal proceeding in progress. The complaint and motion mechanism applied during the proceeding on the issuance of a decision establishing the compensation amount by the Province Governor of Podkarpackie and during the appeal proceedings before the Minister and before the administrative court – related to the compensation established by the Governor and to potential complaints associated with those issues:

a) procedure for determining the amount of compensation

If, during the negotiations conducted between PGW WP RZGW and the previous owner or perpetual user or a person vested with a limited property right, the compensation amount would not be agreed, the amount of that compensation shall be established by the Province Governor of Podkarpackie in an administrative decision. If respective parties are dissatisfied with a decision

issued by the Province Governor of Podkarpackie, they shall be entitled to appeal against such a decision to the Minister (this right has been exercised by one entity - see also 10.3.6.).

b) procedure for determining the legality of the authorities' proceedings

If the party would not be satisfied with settlements of the Minister, it may file a claim to the Province Administrative Court in Rzeszów within 30 days from receiving the decision duplicate. The court shall verify if the Minister has properly and reliably implemented the proceeding, including the consideration of the comments, motions and evidence provided by the proceeding parties. In accordance with binding legal regulation, the appeal is subject to the court fee. Furthermore, the losing party is obligated to refund the costs of the court proceedings to the other party. If the decision of the PAC will not be satisfactory for a party, it is entitled to a cassation appeal against a ruling to the Supreme Administrative Court in Warsaw. The said court shall examine not only the correctness and legality of the procedures conducted by the Province Governor and the Minister, but also the decision of the Province Administrative Court. The cassation appeal is subject to a court fee. Furthermore, the losing party is obligated to refund the costs of the court proceedings to the other party. The right to lodge a complaint has not been exercised by any party.

14.3. Grievance redress mechanism pertaining to the performance of the works contract

A mechanism for submitting complaints and motions concerning construction works carried out by the Contractor shall be implemented before the commencement of construction works and shall be binding throughout the implementation, operation, and conclusion of the Task.

Location for submitting complaints and motions

A complaint or a motion may be submitted by a party in one of the following two locations:

1. Directly at the Main Project Office which will function as a consulting center, i.e.: AECOM Polska Sp. z o. o. 18. Warszawska Street, 35-205 Rzeszów Tel.: +48 17 8521207
2. Directly in the seat of the Investor i.e.: PGW WP Regional Water Management Authority 17B. Hanasiewicza Street, 35-103 Rzeszów Tel.: +48 17 8537441
3. Additionally complaints and motions can be submitted:
 - 1) By means of the post to the above-provided address, or;
 - 2) Via the Internet:
e-mail: ik_rzeszow@aecom.com,
e-mail: rzeszow@wody.gov.pl

4. A telephone information line will be launched - complaints can be submitted at the following telephone number: +48 17 8537441 (PIU at PGW WP RZGW in Rzeszów) or +48 17 8521207 (Consultant, AECOM Polska Sp. z o.o.)

Deadlines for considering complaints and motions:

Deadlines for considering complaints and motions:

- confirmation of receiving a complaint: within 7 days of the incoming date of a complaint.
- proposed solutions: 14 days of the date of complaint submission, with more complicated cases within 30 days of the incoming date of a complaint (up to 60 days in the case of particularly complex issues - according to APC).

A suggested grievance registry form is shown in Appendix to the LA&RAP.

Persons responsible for handling complaints and motions

Complaints or motions will be examined through PIU. There are persons within the organizational structures of PIU responsible for examining complaints or motions. Support in the activities will be provided by the Consultant's team having competences and experience in this area and the Engineer responsible for technical matters.

Audits and independent appeal mechanism

It is assumed that periodically (once every six months or as needed) internal audits will be performed of the "complaints and motions mechanism". The audits will assess the effectiveness of the implemented system.

14.4. Personal data protection policy applied for the Project

The following rules, applied during the implementation of this Task, are aimed at ensuring transparency, protection and security of collected personal data of Project Affected Persons (PAP).

Who is the personal data controller

The controller of personal data is the State Water Holding Polish Waters Regional Water Management Authority in Rzeszów, 17B. Hanasiewicza Street, 35-103 Rzeszów. It is responsible for using the data safely and in accordance with the valid law - especially in accordance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

Contact details for the data protection officer

If PAPs have any questions concerning the manner and scope of processing personal data regarding the operation of PGW WP, as well as the vested rights, PAP may can contact the Personal Data Protection Officer in PGW WP using the address iod@wody.gov.pl or Regional Data Protection Officer (RZGW Rzeszów) email: riod.rzeszow@wody.gov.pl.

Legal basis for the processing

The legal basis for the processing of personal data is Article 6(1)(e) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC in connection with Article 3 of the Act of 8 July 2010 on special rules for preparation for the implementation of investments in flood protection structures.

What personal data may be collected and for what purpose

Personal data is any information of a personal nature that identifies a particular person. PGW WP RZGW in Rzeszów collects only those data that are necessary for the implementation of investment tasks implemented by the PGW WP RZGW in Rzeszów (in this case, the implementation of the Works Contract 3D.3. Łęg IV – extension of the left river embankment at chainage km 0+082 – 5+030 within the Commune of Gorzyce, and of the right embankment at chainage km 0+000 – 5+236 within the Commune of Gorzyce). Such data are processed only to the extent stated by the PAP, on the basis of their voluntary consent through the relevant form, and may include:

- a) data specifying the identity: full name, surname, and date of birth,
- b) contact details: telephone number, registered and/or residence address, e-mail address,
- c) data connected with payment of compensation for permanent acquisition of property: PESEL (personal identification) number, series and number of the identity document, parents' names, bank account number.

Consent to the storage and processing of personal data is voluntary, but the lack of consent may prevent the execution of compensation payments or informing PAP about the commencement of construction works and their progress.

PGW WP RZGW in Rzeszów stores only current personal data of PAP and PAP should inform PGW WP RZGW in Rzeszów of each data change.

What personal data have been obtained other than from the person concerned and from what source(s)

In order to identify owners / perpetual users / holders of properties that will be subject to permanent

acquisition or restriction of use, PGW WP RZGW in Rzeszów obtained personal data from the Register of Lands and Buildings and the electronic system of Land and Mortgage Registers, and from the register of residents and the register of property tax payers appropriate for the place of residence of PAP.

The data obtained include:

- a) data specifying the identity: full name and surname and parents' names (in those cases where they were indicated in the RLB), PESEL(personal identification) number (in those cases where it was indicated in the Mortgage Register),
- b) change of data such as change of surname, information about deaths, changes or updates of information about the place of residence,
- c) contact details: address for registration (in those cases where indicated in RLB).

To whom personal data may be disclosed

PAP's personal data can only be disclosed to:

- a) entitled public entities for the purpose of procedures they conduct, when PGW WP RZGW in Rzeszów is so obliged under relevant regulations and documents (e.g. a court summons, injunction order or another legal procedure),
- b) units involved in the implementation of the Works Contract 3D.3. Passive Protection in San basin, only to the extent necessary to carry out a specific activity,
- c) postal operators, to inform PAP,
- d) the Consultant's representatives and lawyers to support the implementation of the Works Contract and compensation payments.

Personal data will not be transferred to third countries or international organizations.

What rights does the data subject have

Each PAP has the right to:

- a) access, update and correct their personal data,
- b) to delete their personal data ("right to be forgotten") or transfer them to another controller,
- c) to restrict the processing of their personal data - some data may be designated as restricted to processing only in certain circumstances,
- d) lodge a complaint concerning the processing of their data by PGW WP RZGW in Rzeszów to a relevant body supervising personal data processing, when PAP considers that the processing of personal data infringes the provisions of the general Regulation on the protection of personal data of April 27, 2016 (indicated above),
- e) withdraw at any time the consent to the processing of personal data by PGW WP RZGW in Rzeszów.

PAP data will not be subject to automated decision making processes (**profiling**).

Contact details of the supervisory authority to which a complaint can be lodged

President of the Office for the Protection of Personal Data

2. Stawki Street

00-193 Warsaw

tel. 22 531 03 00

fax. 22 531 03 01

Office hours: 8.00 – 16.00, Infoline: 606-950-000 open on working days from: 10.00 – 13.00

Period for which personal data will be stored

Personal data will be stored until the statute of limitations for PAP's compensation claims.

15. Monitoring and assessment

The monitoring of LA&RAP implementation is an integral part of the Contract monitoring and management system. Therefore, for the purposes of monitoring LA&RAP implementation, tools will be used for monitoring the Contract execution, whose aim is reporting to funding agencies and provision of existing information on the problems, fortuitous events and irregularities. The LA&RAP is an integral part of the investment process allowing for the immediate response in case of stating problems or irregularities. The provision of proper communication between the Consultant, PIU and PCU is also fundamental. A diagram of information flow within the monitoring is shown here.

General monitoring and assessment procedures are described in detail in the following document: Land Acquisition and Resettlement Action Framework (LARAF) available at:

http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf

Diagrams of information flow as part of monitoring are presented below.



Fig. 16: Information flow as part of monitoring

It is crucial for LA&RAP implementation monitoring that the Consultant and the PIU register events and facts, in particular via a correspondence register, a register of progress in obtaining titles to use properties for construction purposes and a compensation payment progress register. The data contained in those registers are used for preparing a set of data on the number of acquired properties and the amount and type of provided compensation.

All changes are recorded in the registers. Based on the aforementioned registers, the following parameters are monitored in detail:

- a) number of properties for expropriation and expropriated
- b) number of people requiring resettlement and resettled,
- c) number of real properties to be temporarily acquired (planned and achieved),
- d) the sum of all expenses of the resettlement process (planned and achieved),
- e) compensations paid for the loss of legal titles to properties,
- f) compensations paid for loss of income sources,
- g) acquired and granted replacement properties,

- h) implementation progress and status of protective measures,
- i) number of complaints,
- j) number of considered complaints.

Such a LA&RAP performance monitoring system makes it possible to react quickly in case of problems and facilitates efficient reporting within the framework of the existing Contract management systems. The document will be amended once a quarter. Presented in the table below are the key indicators monitored in reference to the Contract fulfilled by RZGW in Rzeszów.

Table 17: Indicators for monitoring.

Indicator	Information source	Frequency of monitoring	Progress indicator
Assumed parameters			
People exposed to flood	Data from model tests	Once at the investment preparation stage	Number
Number of hectares of land at risk of flooding	Data from model tests	Once at the investment preparation stage	Quantity [ha]
Number of properties subject to expropriation	IPIP decision	Once after decision is issued	Quantity (pcs.)
Number of properties subject to permanent restriction in use	IPIP decision	Once after decision is issued	Quantity (pcs.)
Number of project affected persons (PAP)	Land and mortgage registers, written extracts from land registers, IPIP decision	Once after decision is issued Ongoing updates during the process of negotiating and disbursing compensation	Number
Amount of all expenses for the compensations (planned)	Consultant's registers	Monthly / Quarterly	PLN
Quantity of acquired property	Consultant's registers	Monthly / Quarterly	Quantity (pcs.)
Achieved parameters			
Number of people protected against flood	RZGW / Consultant's registers	One time after Contract execution	Number
Number of hectares protected from flood	RZGW / Consultant's registers	One time after Contract execution	Quantity [ha]
Amount of all expenses for compensations (actual)	Investor's financial registers	Monthly / Quarterly	PLN
Quantity of acquired properties	RZGW / Consultant's registers	Monthly / Quarterly	Quantity (pcs.)
Performance indicators			
Number of complaints	RZGW / Consultant's registers	Monthly / Quarterly	Quantity (pcs.)
Number of complaints handled	RZGW / Consultant's registers	Monthly / Quarterly	Quantity (pcs.)
Disbursed compensation, miscellaneous	Financial registers of RZGW	Monthly / Quarterly	PLN

The results of monitoring will be presented in monthly and quarterly reports. The ex-post evaluation will be conducted six months after the LA&RAP is fully implemented and its objectives will be assessed and documented.

16. Costs

Information on costs related to compensation or purchase of properties for the Project purposes is presented below. The data shows the status as of November 30, 2020. The following list is not final information about costs within the described scope. Although the due compensation for acquiring the properties for the benefit of the State Treasury was paid, it cannot be excluded that additional charges may arise in this respect or the compensations indicated below, which may appear at a later stage of the investment.

Table 18: Costs incurred for implementing the task of properties acquisition.

No.	Aspect	Area/info	Total
1.	Compensation for acquisition of ownership rights and other property rights and related fees	14.9085 ha	1.459.174,94 PLN
2.	Compensation for permanent restriction		0.00
3.	Compensation for restriction in use		0.00
4.	Compensation for termination of civil law contracts		0.00
5.	Purchase of property for exchange		0.00
6.	Acquisition of so-called remnants		0.00

Compensation is paid by the Investor, i.e. PGW WP RZGW. The funds are guaranteed by the State Treasury and are distributed through the Ministry of Finance and the Ministry of Maritime Economy and Inland Navigation to the Polish Waters. PAP receives compensation by transfer from PGW WP RZGW's account to the indicated bank account or, if PAP does not have a bank account, the payment will be made by postal order.

17. Activities for LA&RAP implementation

The individual steps necessary for the preparation and implementation of the LA&RAP according to the LARPF are shown in the table below. No impact exists on an asset or on PAP, until compensation has been paid or it has been paid to a deposit account, where it will remain until the person whose compensation is due is determined.

Table 19: Activities for the development of the LA&RAP

Step	Activity	Responsibility	Verification of performed activities
1	Preliminary social impact estimation for the Task	PIO, PGW WP RZGW	PGW WP RZGW
2	Determination of the final scope of expropriation and drawing up of a Construction design	Designer	PGW WP RZGW – LA&RAP verification team
3	Determination of coordination framework for LA&RAP implementation with relevant government administration authorities	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP verification team
4	Collecting extracts and map extracts from RLB and spatial area development plans	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP verification team
5	Assessment of the Task's social impact	Consultant - team for legal and social issues	PGW WP RZGW – LA&RAP verification team
6	Verification and update of collected materials, analyses of impacts and economic analyses	Consultant - team for legal and social issues	PGW WP RZGW – LA&RAP verification team
7	LA&RAP draft preparation	Consultant - team for legal and social issues	PGW WP RZGW – LA&RAP verification team
8	LA&RAP public consultations after obtaining acceptance from the Bank	Consultant - team for legal and social issues	PGW WP RZGW – LA&RAP verification team
9	Within the scope stemming from taking into consideration comments and motions to LA&RAP - Verification and update of collected materials, analyses of impacts and economic analyses	Consultant - team for legal and social issues	PGW WP RZGW – LA&RAP verification team
10	Within the scope stemming from taking into consideration comments and requests - LA&RAP amendments	Consultant - team for legal and social issues	PGW WP RZGW – LA&RAP verification team
11	LA&RAP submission to the World Bank	PIO, PGW WP RZGW	PCU
12	No remarks from the World Bank	WB	-
13	Making LA&RAP public	PIO, PGW WP RZGW	

Table 20: Activities for LA&RAP implementation

Step	Activity	Responsibility	Verification of performed activities
1	Determination of a detailed LA&RAP implementation schedule	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
2	Submitting an application for IPIP	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
3	Obtaining IPIP	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
4	Handing over to the PAP information on obtaining IPIP and its consequences and planned further actions of the Employer	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
5	Property valuation by independent appraisers in accordance with the law and valuation verification	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
6	Delivery of the appraisal studies to the expropriated persons and conducting negotiations	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
7	Should negotiations fail – obtaining a decision from the Governor on the amount of compensation	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
8	Disbursement of compensation or handing over of substitute properties, commencement of other compensation and protective actions as prescribed by the LA&RAP	PIO, PGW WP RZGW	PGW WP RZGW – LA&RAP monitoring and implementation team
9	Physical acquisition of expropriated properties and commencement of works based upon a property acquisition protocol	PGW WP RZGW at support of the Consultant Engineer	PGW WP RZGW – LA&RAP monitoring and implementation team
10	Disclosure of PGW Polish Waters' rights in the land and mortgage registers, separation of properties from the existing land and mortgage registers	PIO, PGW WP RZGW	PGW WP RZGW - LA&RAP progress monitoring team
11	LA&RAP implementation evaluation	Consultant - team for legal and social issues in the Consultant-Engineer's team	PGW WP RZGW – LA&RAP monitoring and implementation team
12	Obtainment of properties by the Contractor for the purpose of temporary acquisition	Contractor	PGW WP RZGW - LA&RAP progress monitoring team

Table 21: Cyclic activities for the monitoring of the LA&RAP

Step	Activity	Responsibility	Verification of performed activities
1	Internal permanent LA&RAP implementation monitoring	Consultant - team for legal and social issues in the Consultant-Engineer's team	PGW WP RZGW – LA&RAP monitoring and implementation team LA&RAP
2	Reporting to the World Bank	PGW WP RZGW – LA&RAP monitoring and implementation team	PCU
3	Permanent coordination with national and local administration bodies	PGW WP RZGW – LA&RAP monitoring and implementation team	PCU
4	Permanent communication with PAP	Consultant - team for legal and social issues in the Consultant-Engineer's team	PGW WP RZGW – LA&RAP monitoring and implementation team

Table 22: Post-implementation activities

Step	Activity	Responsibility	Verification of performed activities
1	LA&RAP implementation evaluation	Independent third party auditor	World Bank

18. Appendices

18.1. Form for submitting complaints to the Consultant

Appendix no. 1. – Complaint form

18.2. List of properties

Appendix no. 2 - List of plots necessary for implementation - attached in electronic version on CD.

Appendix no. 3 - List of the remaining plots indicated in the IPIP Decision - attached in electronic form on CD.

18.3. Information letter concerning the stage of investment preparation and contact details

Appendix no. 4 - Draft information letter

18.4. Maps with plotted boundary lines of the Investment site

Appendix no. 5 - The maps are attached in an electronic version on a CD.

18.5. Socio-economic study for the task

Appendix no. 6 – Attached in an electronic version on a CD.

The study is not subject to public disclosure due to personal data protection.

18.6. Report on public consultation for the draft LA&RAP

Appendix no. 7 – Attached in an electronic version on a CD

18.7. Sample contract concerning temporary acquisition for the Contractor

Appendix no. 8 – sample contract

18.8. Photographic records

Appendix no. 9 – photographic records