

STATE WATER HOLDING

POLISH WATERS

REGIONAL WATER MANAGEMENT AUTHORITY IN CRACOW

# LAND ACQUISITION AND RESETTLEMENT ACTION PLAN

for

ODRA-VISTULA FLOOD MANAGEMENT PROJECT

co-financed by:

World Bank (WB), Loan Agreement no. 8524 PL

Council of Europe Development Bank (CEB), Frame Loan Agreement no. LD 1866

European Union's Cohesion Fund (OPIE 2014-2020) and

State Budget

**Component 3:** Flood Protection of the Upper Vistula

**Subcomponent 3A:** Protection of Upper Vistula Towns and Cracow

**Works Contract:** *"3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard"*

**FINAL VERSION**

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## **LAND ACQUISITION AND RESETTLEMENT ACTION PLAN**

### **Component 3: Flood Protection of the Upper Vistula**

#### **Subcomponent 3A: Protection of Upper Vistula Towns and Cracow**

#### **Works Contract 3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard**

The Land Acquisition and Resettlement Action Plan is developed for Works Contract implemented by the STATE WATER HOLDING POLISH WATERS – REGIONAL WATER MANAGEMENT AUTHORITY IN CRACOW.

#### **PROJECT IMPLEMENTATION UNIT:**

State Water Holding Polish Waters represented by the

Director of the State Water Holding Polish Waters

Regional Water Management Authority in Cracow

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Document developed by:

State Water Holding Polish Waters

Regional Water Management Authority in Cracow

OVFM PIO

AECOM Polska Sp. z o.o.

Technical Assistance Consultant

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## 1 Summary

This document presents the Land Acquisition and Resettlement Action Plan (LA&RAP) for Works Contract 3A.4 *Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard* implemented under the Odra-Vistula Flood Management Project (OVFMP). The Works Contract is co-funded by the International Bank for Reconstruction and Development (World Bank) (lease agreement dated September 10, 2015), the Council of Europe Development Bank (CEB) (frame lease agreement dated May 24, 2016), and the State Budget.

For the day of developing this paper works on design documentation are in progress. Areas given in the construction design (maps for designing purposes) remain a basis for identification of the range of permanent acquisition of properties and of permanent restrictions in the use. For the investment to be implemented it is planned to obtain an IPIP decision in February 2021 (the IPIP decision became final in March 2021). Documentation about properties divisions is being prepared.

This LA&RAP has been developed prior to the obtainment of a legal title to the properties by the Investor. The currently planned range and restriction in the use of properties is presented in the table below:

	Total volume of hectares	Total number of plots	Public plots	%	Private plots	%	Physical resettlement	Economic resettlement
Permanent acquisition	0.9335	7	4	57.1%	3	42.9%	-	-
Permanent restriction in use	0.7640	13	8	61.5%	5	38.5	-	-
Summary	1.6975	20	12	60%	8	40%	-	-

The performance site covers the area of 1.6975 ha and 20 properties (20 – number of plots after splitting, 17 – number of plots before splitting). After obtaining the final IPIP decision:

- 7 properties shall be permanently acquired (except for 4 properties already owned by the ST – representing units: District Governor, State Water Holding Polish Waters; whereas 3 properties owned by the State Treasury are subject to perpetual usufruct by: Limited Liability Company (2 plots) and by a natural person (1 plot), and compensation shall be paid by the Investor in accordance with the procedure described in Clause 8.2.1),

- 13 properties shall be permanently restricted (8 properties already owned by the State Treasury – representing units: State Water Holding Polish Waters, President of the State Water Management

Authority and District Governor, two properties owned by the State Treasury are subject to perpetual usufruct by a Limited Liability Company, in addition, 3 properties are the property of a limited liability company; and in case of the indicated properties the possibility of their use shall be restricted due to modification of land management or land utilities, ownership of such a property shall not be transferred to the State Treasury and compensation shall be paid by Investor in accordance with the rules described under Clause 8.2.2),

- it is not expected to provide properties, where construction works would be done based upon disposal right to the properties for construction purposes, and temporary restriction in the use of properties would not be established due to obligatory redevelopment of the existing land utilities.

Among the aforementioned 20 properties (the number of properties after splitting) 4 plots are properties of the State Treasury and perpetually used by a limited liability company, 1 is also a property of the State Treasury and perpetually used by a natural person, and 3 are owned by limited liability partnership, whereas 12 plots are public plots owned by the State Treasury – representing units for the above plots is the District Governor, the State Water Holding Polish Waters, and the President of State Water Management Authority.

**3 PAPs were identified in the area to be permanently acquired and to be permanently restricted. There is only one natural person among the identified PAPs; the remaining 2 PAPs are private law companies.**

Planned acquisition mainly consists of permanent restriction, what means that owners of properties would not be changed, and there shall only be some restrictions in property rights (mainly in the scope necessary for placing power and teletechnical networks within plots) – the total area of permanent restrictions is 0.7640 ha (7640 m<sup>2</sup>). In the range of permanent acquisition for 3 plots under perpetual usufruct by private persons and planned for expropriation, implementation of the Task shall require acquisition of their small parts only – 0.0004 ha (4 m<sup>2</sup>), 0.0048 ha (48 m<sup>2</sup>) and 0.1987 ha (1987 m<sup>2</sup>) - the total area of the entire permanent acquisition is 0.9335 ha (9335 m<sup>2</sup>).

The planned contract comprises: development of a flood gate with a steel closure at the outlet from the port channel, along with necessary facilities; as well as redevelopment, protection, demolition and construction of power networks, including a line supplying power to mechanisms of the gate, and networks colliding with the planned objects, along with lighting and teletechnical network and optic-fiber for the gate monitoring and control; redevelopment and construction of service yards and roads in a reach of embankments to be modernized and the flood gate to be developed; development of a service footbridge supported directly by the flood gate's structure; redevelopment and extension of the existing right-bank flood embankments for the River Vistula at working chainage of the embankment from km 0+000 to 0+313 (with a gap for the flood gate) – corresponding with the River Vistula chainage from km 80+950 to 81+256, comprising raising and widening of the embankment crest, joining them with the designed flood gate and neighboring objects, and their sealing through development of an anti-seepage membrane; redevelopment and extension of the existing descend roads and embankment crossings through their raising, widening, modification of inclination, and joining them with the existing roads; construction of a pier in the area of the designed flood gate; protection of channel slopes; demolition of 2 objects (metal-sheet garages at the flood embankment's landside); and demolition of the existing facilities (inactive power posts, well, slope stairs, fencing) located within the flood embankment, colliding with its extension and not associated with it

functionally; land grading for the embanked area and for the area beyond the embankment in a reach along the flood embankments to be redeveloped and extended and the flood gate.

In case of Contract 3A.4 there are no physical and economic resettlements. The performance shall not in any way affect the limitation of access for the plot owners to service, cultural and historic objects.

There are developed land properties in the neighborhood of the contract, but implementation of the works contract shall not cause disturbance to daily operations of PAPs within those properties. Real estate with residential buildings will not be subject to permanent acquisition.

Due to implementation of the Contract there are no significant impacts on the PAPs. It was stated in all cases that the impacts associated with implementation of the Contract shall be insignificant.

Among the Project Affected Persons entitled to the payment of compensation the following were identified for the day of developing the LA&RAP: owners and perpetual usufructuaries. During the socio-economic survey done the PAPs did not inform that EU subsidies were granted for the properties, and FAGs were also not identified within the contract area.

The Contractor shall be responsible for obtainment of consents from owners/holders for temporary acquisition of properties beyond the acquisition area (i.e. permanent acquisition and permanent restriction) given in the IPIP (e.g. acquisition for the purpose of site facilities, machine base, and storage of soil and other construction materials, and others necessary to the Contractor for implementation of the technological process). The scope and the target location of temporary acquisition are currently unknown, and they shall be determined by the Contractor selected in a bidding proceeding. Such properties shall be obtained by the Contractor on its own and at its own cost.

Temporary acquisition of properties done by the Contractor for the purpose of Contract implementation in a wider scope than the one determined under the IPIP is feasible only based upon a written, voluntary consent of the property owner, and based upon the rules determined in the agreement providing that consent. An agreement template is provided in Appendix no. 8.

Temporary acquisition of properties shall – as a rule – be compensated in cash through payment of amounts corresponding to market prices of lease or tenancy of properties, and the conditions shall be determined under the agreement, templated of which is given under Appendix no. 8 to the LA&RAP.

Any property acquisition shall be implemented in accordance with procedures determined in the Polish Law, in the Bank's operational policy OP 4.12 and in the LARPF.



## 2 List of abbreviations applied in this paper

World Bank	International Bank for Reconstruction and Development (IBRD)
PCU	Project Coordination Unit (PCU acting within the structure of the State Water Management Authority of the State Water Holding Polish Waters)
WB	See: <i>World Bank</i>
GIS	Geographic Information System – a terrain information system consisting of a terrain database concerning a given area as well as procedures and techniques of systematic collection, updating and providing access to data.
CSO	Central Statistical Office of Poland
PIO	Project Implementation Office formed within the PIU, a separate organizational unit responsible for implementation of the Contract / Works Contract
PIU/Employer/Investor	State Water Holding Polish Waters – Regional Water Management Authority in Cracow
Engineer	See: <i>Consultant</i>
Consultant	Consultant for the State Water Holding Polish Waters – Regional Water Management Authority in Cracow, providing services under the Contract no. 5.2: “Design and Construction Supervision for works, Project Management, Technical Assistance and Training Technical Support for the Project and Strengthening of PIU's Institutional Capacity” – AECOM Polska Sp. z o.o.
CC	The Law of April 23, 1964 – Civil Code (consolidated text: Journal of Laws of 2019, item 1145, as amended)
CAP	The Law of June 14, 1960 – Code of Administrative Procedure (consolidated text: Journal of Laws of 2020, item 256)
LARPF	Land Acquisition and Resettlement Policy Framework
LSDP	Local Spatial Development Plan
NGO	Nongovernmental Organization
SAC	Supreme Administrative Court
OVFM	Odra-Vistula Flood Management
OP 4.12	The symbol of a document containing the principles of conducting involuntary resettlement required for Contract co-financing with a World Bank loan: Operational Policy 4.12 – Involuntary Resettlement
PAP	Project Affected Person(s)
IPIP	Investment Project Implementation Permit for flood defenses

OVFMP	Odra-Vistula Flood Management Project
LA&RAP	Land Acquisition & Resettlement Action Plan
Project	See: <i>OVFMP</i>
Valuer / expert	A natural person possessing state professional qualifications in the scope of real property valuation
RDOŚ	Regional Director for Environment Protection
RPF	Resettlement Policy Framework
RZGW KR	State Water Holding Polish Waters – Regional Water Management Authority in Cracow
Sp. k.	Limited Partnership
Sp. z o.o.	Limited Liability Company
Special Flood Act	The Law of July 8, 2010 on specific terms of preparing for implementation of projects in the scope of flood protection facilities (Journal of Laws of 2020, item 471)
PR	Permanent restriction of the manner of using a real property
EU	European Union
PMA	The Law of August 21, 1997 on the properties management (Journal of Laws of 2020, item 65, as amended)
WLA	Act of July 20, 2017 – Water Law (OJ of 2020, item 310, as amended)
FGA Law	The Act of December 13, 2013 on Family Garden Allotments (Journal of Laws of 2017, item 2176, as amended)
RAC	Regional Administrative Court
Contractor	An entrepreneur or a joint venture of entrepreneurs implementing the Works Contract titled <i>Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard</i>
Task/Contract/Works Contract/Investment/Assignment	<i>Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard</i>
Employer	State Water Holding Polish Waters – Regional Water Management Authority in Cracow

### 3 Key definitions

This document uses the following key definitions:

**Real 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 authorised property valuer. The compensation amount for the property shall not be lower than the replacement cost for lost component of assets without depreciation of assets resulting from the age, condition, or other features associated with the assets.

**Cut-off date** – a date when an inventory of assets and a register of project affected persons were completed. Persons living in the area, where the Project shall be implemented, do not have a right to compensation or any other form of support after the cut-off date. Similarly, the compensation shall not be paid for fixed assets (such as buildings, plants, fruit trees, and woodlots) after the completion date for the inventory or – alternatively – after the agreed date.

**Economic resettlement** – loss of >20% of arable land in case the revenue of the Project Affected Person (PAP) bases upon farming mainly.

**Physical resettlement** – loss of a place of living or such commercial objects as shops or workshops, or objects necessary to generate income.

**Groups requiring special assistance** – people whose sex, belonging to an ethnic group, age, being physically or mentally handicapped, difficult financial situation or difficult social position makes them more exposed to negative effects of resettlement than other groups and who may have a limited possibility of submitting claims, receiving resettlement assistance or participating in the benefits related to the investment.

**Resettlement cost** – the extent of compensation for lost goods/properties/expenditures covering a replacement value of such goods/properties as well as the cost of resettlement and actions related to the resettlement.

**Land property, ground** – a part of land surface, which forms a separate ownership unit. The ground is a type of property and simultaneously a thing, as stated in the Civil Code. A land property shall be understood as ground with integral parts, except for buildings and rooms, if they form a separate element of ownership.

Substitute terms used in the LA&RAP: **land – property – plot – ground**, depending on the context the terms are applied in accordance with the following legal acts:

- CC – land, property;
- PMA Law – property, ground plot;
- Regulation on land register – land, register plot (short version applied in the LA&RAP: plot); and
- Operational Policy 4.12 – land.

**Social impact** – in the light of OP 4.12 any direct loss – economic and social – resulting from expropriation of properties, permanent restriction of the previous use manner, or access to the properties shall be deemed as a social impact associated with expropriation.

**Compensation** – paid in cash 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, PGW WP in Cracow. Pursuant to Polish law, compensation can be paid out from the time when expropriation decision (IPIP in that case), as a rule, becomes final and in all the cases – prior to taking over of such property or its acquisition for construction purpose.

**OP 4.12 Involuntary Resettlement** –an 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 Project implementation, loses the right of ownership or other benefits related to the owned inhabited (residential, agricultural or breeding) infrastructure; annual or perennial yield and produce or other related or movable assets – in whole or in part, permanently or temporarily. Members of a local society or other persons affected by investment actions may be deemed as the PAPs.

**Natural person** — legal term for a person in civil law – from the moment of birth until death.

**Legal person** — the legal persons are the State Treasury and organization units granted with legal personality by particular provisions.

**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 real estate, including the sale of such real estate.

State Treasury **Involuntary resettlement** –a resettlement is involuntary when it is carried out without the consent of a person being resettled (against his/her/their 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 being developed. Based on the LARPF, a formal Project framework for land acquisition was defined.

Any acquisition of properties – both: permanent, as well as temporary – shall be implemented in accordance with procedures determined under the Polish Law, the Bank’s operational policy OP 4.12, and the LARPF.

[http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement\\_Policy\\_Framework.pdf](http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf)

**Limited Partnership (abbreviation in Polish: Sp. k.)** – partnership (without a legal personality) aiming at running an enterprise as an own company, in which at least one associate is liable without limits towards creditors for liabilities of the company (working partner), and liabilities of at least one associate (limited partner) are limited. Limited Liability Company Limited Partnership discussed in Appendix no. 2 is a limited partnership, in which a limited liability company is a working partner.

**Limited Liability Company (abbreviation in Polish: Sp. z o.o.)** – a corporation, it has a legal personality, and it may be formed by one or more persons for any legally permissible purpose, but it cannot be formed only by other one-man limited liability company. Associates shall only be liable for performance determined under the association agreement. The associates are not responsible for liabilities of the company.

**Value of expenditures** — amount due to the user for expenses born as negotiated with the party bearing expenditures, or an amount basing on the value of expenditures determined by the certified assessor.

**Replacement value** – compensation for the loss of assets based upon their replacement / market value increased by any transaction costs (for example: taxes and registration fees) and its objective is for the compensation to be enough to effectively replace the Project affected assets (replacement value). Replacement value is an amount needed to replace lost assets without depreciation of asset for reasons of age, condition, or other factor associated with assets.

**Expropriation** – consists in depriving a person/persons of their property right in the designated real property or limiting that right 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 buyer/willing seller). In the event of an expropriation, such a purchase is not deemed voluntary..

**Real estate assets (according to the PMA)** – public properties sanctioned by the legislator in Article 20 of the PMA. Assets have been divided according to the ownership. State Treasury properties (Art. 21 and 21a of the PMA) and assets of different categories of local government units – Commune (Art. 24 of the PMA), District (Art. 25a of PMA) and Province (Art. 25c of the PMA) have been distinguished. The provision of Art. 20 of the PMA does not apply to real estate assets of the owners other than those mentioned herewith.

## 4 Introduction

### 4.1 DESCRIPTION OF THE PROJECT

The objective of the OVFM Project is to protect people living within selected areas of the Odra River Basin and of the Upper Vistula River Basin against floods and to improve institutional ability of public administration to be more efficient in limiting effects of floods. The most urgent flood protection tasks within selected areas of the Odra and Vistula River Basins were expected for implementation under the Odra-Vistula Flood Management Project. 3 Investment Components were considered under the Project, and they cover actions associated with improvement of flood protection in the area of the: Middle and Lower Odra River (Component 1), Kotlina Kłodzka – mountainous and highland parts of the Nysa Kłodzka catchment (Component 2), and Upper Vistula (Component 3).

The objective of Component 3 – Flood Protection of the Upper Vistula – is implementation of measures to limit the hazard associated with flood risk within the selected areas under successive improvements to flood safety within the Upper Vistula River Basin. Component 3 is divided into the following Subcomponents:

- Subcomponent 3A – 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 San Basin.

Two other Components are implemented under the Project, i.e.: Component 4 Institutional Strengthening and Enhanced Forecasting, Component 5 Project Management and Studies.

The Land Acquisition and Resettlement Action Plan (LA&RAP) is presented in this paper for Contract titled *“3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard”* implemented under Component 3 – Flood Protection of the Upper Vistula as one of the investment elements under the Odra-Vistula Flood Management Project (OVFMP). The OVFM Project is implemented using financial resources provided by international financing institutions, including the International Bank for Reconstruction and Development (World Bank) (Loan Agreement no. 8524 PL dated September 10, 2015), Council of Europe Development Bank (CEB) (Framework Loan Agreement No. LD 1866 dated May 24, 2016), European Union Cohesion Fund (IEOP 2014 – 2020), and the State Budget. Flood management infrastructure shall be developed as a result of Project implementation, along with related technical measures within three separate areas of Poland: (i) Middle and Lower Odra River Basin; (ii) Kotlina Kłodzka (Nysa Kłodzka River Basin); and (iii) Upper Vistula River Basin. In terms of acquiring the properties, formal frames of the Project are determined in the Resettlement Policy Framework available at:

[http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement\\_Policy\\_Framework.pdf](http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf)

A hard copy may be obtained upon request for review or may be reviewed in the following locations:

- Local PIO office at: PGW WP RZGW in Cracow, 22. Marsz. Józefa Piłsudskiego Str., 31-109 Cracow;
- Office of OVFM PCU at: 9. Jaworowa Str., 53-123 Wrocław, and 5. Morawskiego Str., 30-102 Cracow;

- directly in the main Project Office, which would remain a consultation point: AECOM Polska Sp. z o.o., Odra-Vistula Flood Management Project Office, 1. Pokoju Al., Building K1 – 4<sup>th</sup> floor, Cracow 31-548.

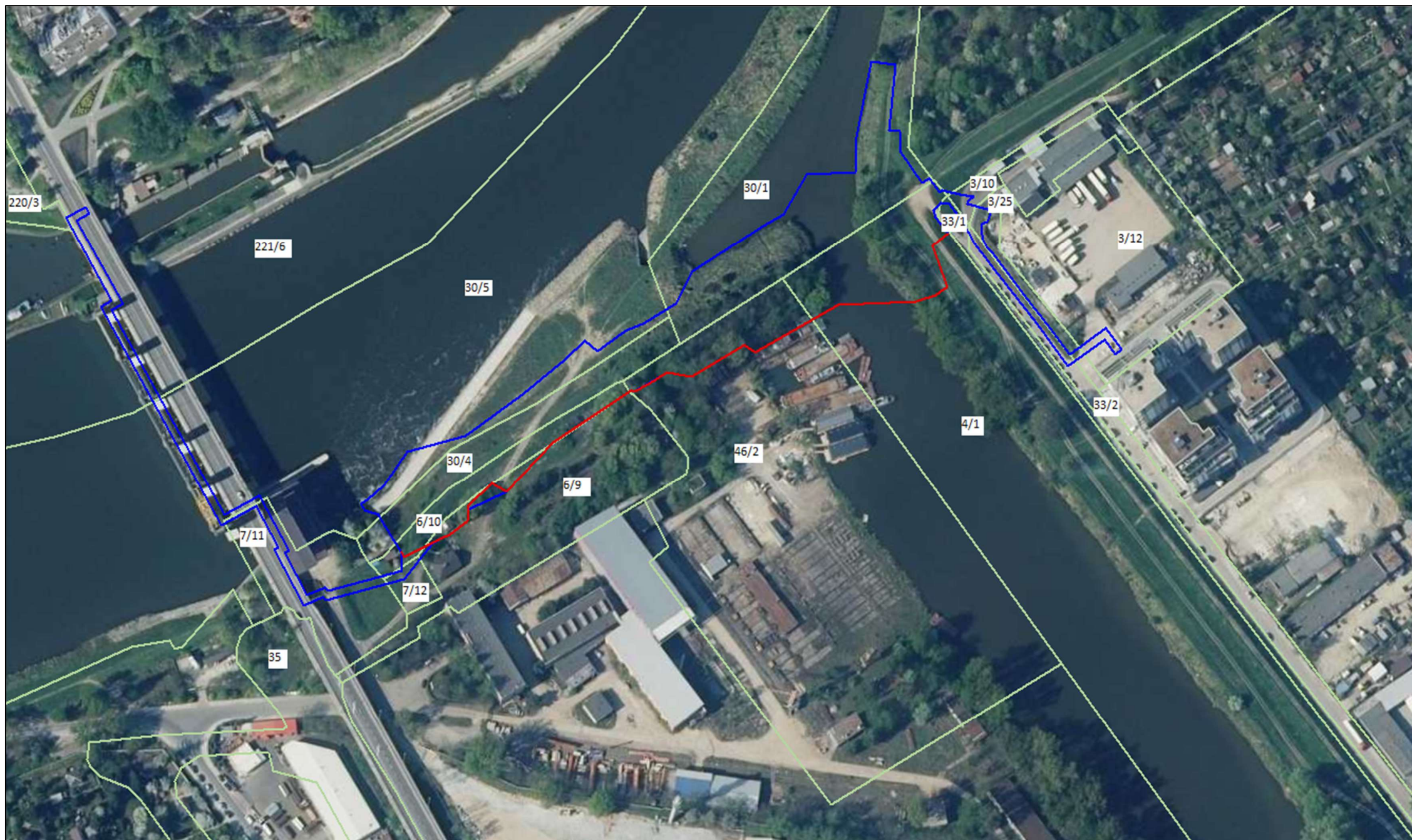
## 4.2 DESCRIPTION OF THE CONTRACT

The planned Contract titled: *“3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard”* remains a supplementation for a gap in the flood protection system for the Vistula Valley in Cracow, while complementing Contract 3A.1 *“Construction of Vistula embankments in Cracow: 3A.1/1 – Construction of Vistula embankments in Cracow Section 1, Section 2; 3A.1/2 – Construction of Vistula embankments in Cracow Section 3”*.

The planned Contract comprises construction and extension of the right Vistula embankment between the Dąbie Barrage and the Płaszów Port, including development of a flood gate at the outlet of the port channel. The Contract in question is located within Małopolskie Province – entirely in the City of Cracow, between the following streets: Stoczniewców, Nowohucka, and Na Zakolu Wisły.

*The Investor* for the Contract is the State Water Holding Polish Waters – Regional Water Management Authority in Cracow, which – at obtaining the properties necessary for implementation of the Contract – acts in the name and on behalf of the State Treasury.





Contract 3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard

#### Legend

- Investment boundary
- The boundaries of real estate necessary to implement the Contract
- Projected division boundary (the final course of the division boundary will result from the IPIP decision)

Figure 1 – Location of the Contract



The planned Contract includes the following measures:

- development of a flood gate with a steel closure at the port channel's outlet, with necessary facilities protected by steel sheet-piling eliminating their potential impact on flowing water (e.g. through the discharge of suspension to the water),
- redevelopment, protection, demolition, and construction of power lines (with voltage of less than 110 kV), including networks supplying power to mechanisms of the gate and networks colliding with the planned objects, along with lighting and teletechnical and optic-fiber lines for monitoring and gate control,
- redevelopment and construction of service yards and roads in a reach of modernized embankments (listed roads with paved surface shall functionally be associated with the Contract and will be used for servicing the designed flood gate);
- development of a service footbridge joining both abutments, including its lighting;
- redevelopment and extension of the existing Vistula flood embankments through raising and extending the embankment crest and linking them with the designed flood gate, as well as their sealing through the assembly of an anti-seepage membrane;
- development of lead-in-piers made of steel piling at the inlet to and at the outlet from the flood gate in reference to the bank line of the port channel;
- redevelopment and extension of the existing descend roads and embankment crossings through their raising, extension, modification of inclination, and joining with the existing roads;
- construction of a pier in the area of the designed flood gate;
- slope revetments for the inflow channel and for the discharge channel, and for the bottom joining them in the area of the designed flood gate, using gabion constructions or rip-rap and hollow-core reinforced-concrete slabs;
- logging of trees and shrubs in the Contract area limited to the necessary minimum;
- demolition of 2 objects (metal-sheet garages) located on the landside in a reach of the embankments to be redeveloped;
- demolition of the existing facilities (inactive power posts, well, slope stairs, fencing) located within the flood embankment, colliding with its extension and not associated with it functionally;
- land grading in the embanked area in a reach of the embankments to be redeveloped.

The planned redevelopment and extension of the flood embankments and the development of the flood gate shall assure protection against floods for the Płaszów Port, as well as for the surrounding sites, at simultaneous provision of the port for vessels. Such a solution related to the flood protection eliminates the necessity of modernizing and extending the existing flood embankments around the entire port, and focuses on engineering works at objects. Those actions comprise e.g. reinforced-concrete structures of the gate and steel structures of closures with hydraulic drives, power supply, and provision of a remote and local control system. The flood gate, along with the embankment to be modernized, shall be linked with objects of the Dąbie Water Barrage (beginning of the embankment) and with the right flood embankment of Vistula to be modernized based upon a separate documentation (end of the embankment), to form an uniform flood protection system for Cracow.

The works shall be done in stages. The initial stage shall include development of temporary steel sheet-piling (constructional cofferdam) protecting the construction pit for the flood gate, and development of a temporary (for the time of performance) entrance to the port, which would by-pass the excavation

to allow for using the Płaszów Port on the stage of Contract implementation, and assure the exchange of water between the River Vistula and the port basin.

At the following stage it is planned to develop the flood gate with the necessary accompanying facilities and to start it up and liquidate the temporary entrance to the port. Flood embankments shall be extended and redeveloped at that stage, including development of an anti-seepage membrane, as well as a service footbridge at the flood gate – with a length adapted to the width of the flood gate and with a width of about 3.0 m.

Branch interview, site visits, and analysis of the map for designing purposes identified technical devices and installations, which require protection, redevelopment, or demolition in the area of designed works:

- transfer collector 3000x2350 mm (protection and redevelopment),
- inactive power posts (to be demolished),
- inactive well (to be demolished).

Furthermore, it is designed to construct a power connection supplying power to the gate and its facilities, and teletechnical network assuring connection between the designed objects and the control center at the Dąbie Barrage.

#### 4.2.1 Measures requiring acquisition of properties

<b>ACTIONS REQUIRING LAND ACQUISITION</b>	<b># private plots<sup>1</sup></b>	<b># public plots<sup>1</sup></b>
Redevelopment and extension of the existing Vistula flood embankments through raising and extending the embankment crest and linking them with the designed flood gate, as well as their sealing through the assembly of an anti-seepage membrane;	7/11, 7/12, 46/2	6/9, 6/10, 30/4, 30/5, 4/1, 30/1
Redevelopment and construction of service yards and roads in a reach of modernized embankments (listed roads with paved surface shall remain objects functionally linked with the contract, and shall be applied for provision of services for the designed flood gate);	7/11, 7/12, 46/2	6/9, 6/10, 30/4, 30/5, 4/1, 30/1
Development of the flood gate with a steel closure at the outlet of the port channel, with necessary facilities protected by steel sheet-piling;	-	30/1, 4/1
Development of lead-in-piers made of steel sheets at the entrance to and at the exit from the flood gate – adapted to the bank line of the port channel;	-	30/1, 4/1
Development of a pier in the area of the designed flood gate;	-	4/1, 30,1
Development of a service footbridge joining both abutments of the gate;	-	4/1
Slope revetments for the inflow channel and for the discharge channel and for the adjacent bottom in the area of the designed flood gate, using gabion structures and rip-rap;	46/2	30/1, 4/1

<sup>1</sup> The number of plots does not add up, because some infrastructure elements are being built on the same properties.

<b>ACTIONS REQUIRING LAND ACQUISITION</b>	<b># private plots<sup>1</sup></b>	<b># public plots<sup>1</sup></b>
Redevelopment and extension of the existing descend roads and embankment crossings through their raising, extension, modification of inclination, and joining with the existing roads;	46/2	4/1, 30/1, 6/9, 6/10, 30/4, 30/5
Land grading for the embanked area in a reach of the embankment to be redeveloped;	7/12, 46/2	6/9, 6/10, 30/4, 30/5, 4/1, 30/1
Demolition of the existing facilities (inactive power posts, well, slope stairs, fencing, 2 objects - metal-sheet garages) located within the flood embankment, colliding with its extension and not associated with it functionally.	-	6/9, 6/10, 30/4

#### **4.2.2 Measures requiring acquisition of properties**

- Development of a power line (with voltage of less than 110 kV) supplying power to mechanisms of the gate and to the teletechnical network for the gate's monitoring and control;
- Logging of trees and shrubs in the Contract area.

### **4.3 CONTRACT IMPLEMENTATION AREA**

#### **4.3.1 Planned Contract Implementation Area**

According to the register of the PGW WP Regional Water Management Authority in Cracow the port is located at chainage 81+250 of the River Vistula, about 300 m downstream of the Dąbie Barrage. The area, where the Contract shall be implemented, is 1.6975 ha.

During implementation of the Contract temporary acquisition of properties may be necessary for the purpose of e.g. site facilities, technological roads, and others necessary to the Contractor for implementation of the technological process. Such acquisition of properties shall not be done based upon the IPIP. The acquisition done by the Contractor shall base upon agreements concluded voluntarily by property owners, and determining the conditions for application of the properties, compensation and obligation of the Contractor related to restoring the property to the previous condition. After completion of the Contract the site facilities and the technological roads shall be liquidated, and the area acquired for their purpose shall be restored to the condition and the manner of use agreed with the PAPs in an agreement, and returned in a good condition.

The area of planned works is a site of the Płaszów Port with embankments running from the Dąbie Barrage. The embankment, which would be modernized, currently performs its basic function – it is a flood embankment. Slopes and the crest of that embankment are overgrown with grass and partially with trees and shrubs. The Płaszów Port with the embankment and the basin and the port's backyard (workshops, warehouses, offices, garages, etc.) forms a separate technical and operational unit developed to provide services to vessels at Vistula.

The area of the port is practically surrounded by the flood embankments. The embankment in question mainly is: densely overgrown (crests and slopes) and directly neighbors trees and shrubs and other plants, as well as other facilities in the form of various types of power and teletechnical cables, pipings located underground and on the embankment, as well as at its slopes or at its foot.

For the purpose of Contract implementation it is necessary to acquire 20 properties, including 7 properties subject to permanent acquisition, whereas permanent restriction in the use of properties shall be implemented in case of 13 properties. Among the properties to be permanently acquired, 3 properties owned by the State Treasury are under perpetual usufruct – 1 property by a natural person and 2 properties by a limited company. Among 5 properties to be permanently restricted there are 3 owned by a limited liability partnership, and 2 properties owned by the State Treasury are under perpetual usufruct by a limited liability company. The land and building register lists plots owned by private entities as industrial areas, residential areas, other developed areas, recreational areas, and other communication areas.

A summary of properties, which shall necessarily be acquired for the purpose of Contract implementation, is given in the table below:

No.	Number of register plot before splitting	Number of register plot after splitting <sup>2</sup>	Owner according to the MR	Type of acquisition	Description of use	Symbol of use class	Area of land [ha]	Area of plot [ha] before splitting	Area of permanent acquisition / permanent restriction [ha]
1	30/1	-	State Treasury	Permanent restriction	Various areas	Tr	0.3190	1.2696	0.4289
					Grounds underneath flowing water	Wp	0.6866		
					Afforested and shrubbed grounds	LzIV	0.2640		
2	4/1	-	State Treasury	Permanent acquisition	Other communication areas	Ti	3.5906	3.6167	0.3164
					Various areas	Tr	0.0260		
3	33/1	-	State Treasury	Permanent restriction	Recreational and leisure areas	Bz	0.2399	0.2399	0.0028
4	30/4	-	State Treasury Representing unit: Mayor of Cracow	Permanent acquisition	Various areas	Tr	0.2342	0.2342	0.2342
5	6/10	-	State Treasury Representing unit: State Water Holding Polish Waters	Permanent acquisition	Industrial areas	Ba	0.1322	0.1322	0.1322
6	46/2	-	State Treasury Perpetual usufruct: natural person	Permanent acquisition	Industrial areas	Ba	1.4171	2.6624	0.1987
					Other communication areas	Ti	1.0135		
					Various areas	Tr	0.2318		
7	3/12	-	Limited liability partnership	Permanent restriction	Other developed areas	Bi	0.7300	0.7300	0.0111
8	3/25	-	Limited liability partnership	Permanent restriction	Recreational and leisure areas	Bz	0.0836	0.0836	0.0307
9	7/11	-	Perpetual usufruct: Limited liability company	Permanent acquisition	Industrial areas	Ba	0.3309	0.3309	0.0004
10	7/11	-	State Treasury Perpetual usufruct: Limited liability company	Permanent restriction	Industrial areas	Ba	0.3309	0.3309	0.0284
11	7/12	-	State Treasury Perpetual usufruct: Limited liability company	Permanent acquisition	Residential areas	B	0.0434	0.0434	0.0048
12	7/12	-	State Treasury Perpetual usufruct: Limited liability company	Permanent restriction	Residential areas	B	0.0434	0.0434	0.0044
13	30/5	-	State Treasury Representing unit: President of the State Water Management Authority	Permanent restriction	Various areas	Tr	0.9372	19.3787	0.1605
					Grounds underneath flowing surface water	Wp	124659		
					Permanent meadows	łIII	1.3268		

					<i>Permanent pastures</i>	<i>PsIV</i>	<i>0.3920</i>		
					<i>Afforested and shrubbed grounds</i>	<i>LzIV</i>	<i>4.2568</i>		
14	33/2	-	<i>State Treasury</i>	<i>Permanent restriction</i>	<i>Roads</i>	<i>dr</i>	<i>0.3136</i>	<i>0.3137</i>	<i>0.0195</i>
15	35	-	<i>State Treasury</i>	<i>Permanent restriction</i>	<i>Roads</i>	<i>dr</i>	<i>2.1098</i>	<i>2.1702</i>	<i>0.0085</i>
					<i>Various areas</i>	<i>Tr</i>	<i>0.0604</i>		
16	6/9	-	<i>State Treasury</i> <i>Representing unit: State Water Holding Polish Waters</i>	<i>Permanent acquisition</i>	<i>Industrial areas</i>	<i>Ba</i>	<i>0.6267</i>	<i>0.6267</i>	<i>0.0468</i>
17	6/9	-	<i>State Treasury</i> <i>Representing unit: State Water Holding Polish Waters</i>	<i>Permanent restriction</i>	<i>Industrial areas</i>	<i>Ba</i>	<i>0.6267</i>	<i>0.6267</i>	<i>0.0121</i>
18	3/10	-	<i>Limited Liability Partnership</i>	<i>Permanent restriction</i>	<i>Recreational and leisure areas</i>	<i>Bz</i>	<i>0.0324</i>	<i>0.0602</i>	<i>0.0104</i>
					<i>Permanent meadows</i>	<i>LIII</i>	<i>0.0278</i>		
19	221/6	-	<i>State Treasury</i> <i>Representing unit: President of the State Water Management Authority</i>	<i>Permanent restriction</i>	<i>Other developed areas</i>	<i>Bi</i>	<i>0.1222</i>	<i>11.4278</i>	<i>0.0460</i>
					<i>Grounds underneath flowing surface water</i>	<i>Wp</i>	<i>11.3056</i>		
20	220/3	-	<i>State Treasury</i> <i>Representing unit: Mayor of Cracow</i>	<i>Permanent restriction</i>	<i>Recreational and leisure areas</i>	<i>Bz</i>	<i>1.2097</i>	<i>1.2103</i>	<i>0.0007</i>
					<i>Grounds underneath flowing surface water</i>	<i>Wp</i>	<i>0.0006</i>		

The properties to be permanently acquired and permanently restricted, subject to perpetual usufruct by the PAPs or owned by the PAPs, shall be acquired only in a small part.

#### 4.3.2 Provisions of local spatial development plans

The planned contract is to be implemented based upon the provisions of the Special Flood Act; thus, the Investor is not bound with provisions under local spatial development plans. However, as the provisions under those documents may be significant in reference to the management method by the PAPs in the areas to be acquired for the purpose of Task implementation and in adjacent areas (especially in case of potential purchase of some properties left after expropriation and not fit for use in accordance with the previous purpose of the properties), this chapter provides information on local planning documents.

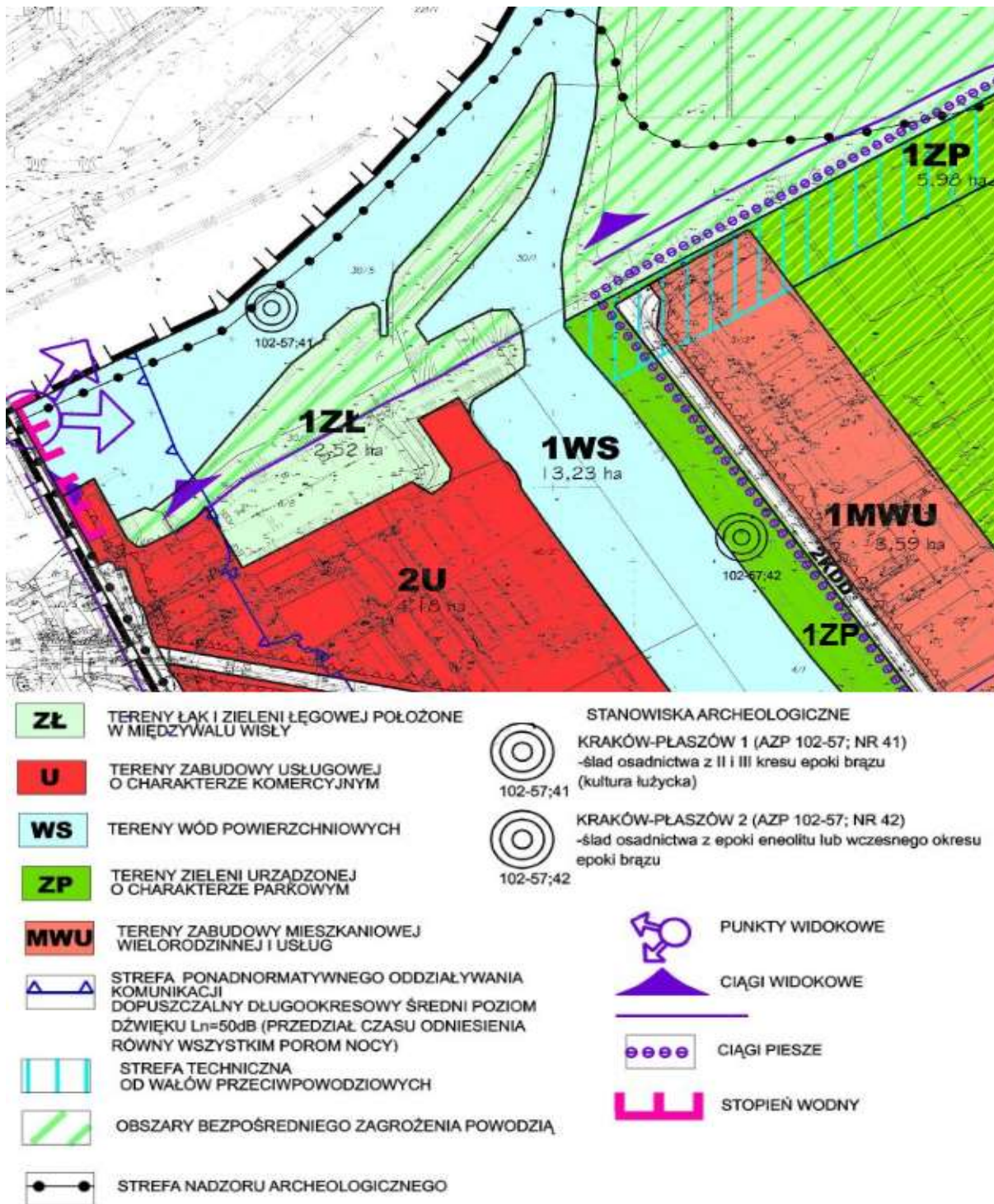
The area of the Płaszów Port is included in the Local Spatial Development Plan – area of “Myśliwska”, which has been enacted on October 20, 2010 by the City Council of Cracow (Resolution no. CXIV/1540/10). The Contract in question is located within areas marked as: 1WS – areas of surface water, and 1Zł – areas of meadows and riparian greenery located within the Vistula’s embanked area and partially in the area of the planned flood gate, 1ZP – areas of developed park greenery. Directly

<sup>2</sup> NOTE: due to the fact that documentation about properties divisions is being prepared, there is no data on the number of plots after splitting.

adjacent areas form: 2U – commercial service objects, and 1ZP – areas of developed park greenery. It is allowed to develop devices and temporary objects associated with functioning and management of the port basin in 1ZP area adjacent to 1WS area. In the area of meadows and riparian greenery it is allowed to develop networks, devices and objects of technical facilities, including hydraulic structures necessary for implementations of assignments associated with water maintenance and flood protection. In the area marked as 1WS, within the port basin, it is allowed to develop structures and water facilities associated with navigation, water sports, and recreation. The designed Contract is compliant with establishments under the LSDP “Myśliwska”. In conformity with provisions of the aforementioned LSDP, an archaeological supervision zone is set out in areas 2U and 1ZP, and it covers archaeological sites with areas determined by a range of heritage occurrence, with traces of settlements. The zone is subject to the conservator’s protection. During the excavations associated with the construction works within the zone, it is required to provide a person certified for performing an archaeological survey.



Figure 2 Part of the LSDP for the area of analyzed Contract



Source: Resolution no. CXIV/1540/10 of the City Council of Cracow dated October 20, 2010 on the enactment of the local spatial development plan for the area "Myśliwska" in Cracow



## 4.4 ISSUED ADMINISTRATIVE DECISIONS

Decision of the Regional Director for Environmental Protection in Cracow of February 28, 2020 on the environmental conditions for the contract titled *“Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard”*, ref. no.: OO.420.4.1.2019.BM

Decision of the Regional Director for Environmental Protection in Cracow of July 2, 2020, ref. no.: OP-I.6401.205.2020.GZ on permission to derogate from the prohibitions in the field of the protection of plants, animals and fungi.

## 4.5 UNITS RESPONSIBLE FOR IMPLEMENTATION OF THE PROJECT

From January 1, 2018 the main unit responsible for the state water management is the State Water Holding Polish Waters, also known as the Polish Waters, with its office in Warsaw. PGW WP has been assigned based upon the rules of the Act of July 20, 2017 – Water Law, and a statute enacted with the Regulation of the Minister of Environment of December 28, 2017 (OJ of 2017, item 2506). In accordance with Article 239 (1) of the WLA, the Polish Waters remain a state legal person, as understood by Article 9 (14) of the Act of August 27, 2009 on the public finances (OJ of 2019, item 869, as amended). The task of the PGW WP is complex management over widely understood water management in Poland, including investments. That unit also represents the State Treasury and executes ownership rights of the State Treasury in reference to waters remaining properties of the State Treasury, and to water facilities and remaining assets associated with water management. A detailed catalogue of obligations and rights, including a breakdown of competences between particular internal units and separated bodies, has been determined in Article 240 of the WLA. The following organizational units are comprised by the Polish Waters: State Water Management Authority in Warsaw, regional water management authorities, catchment boards, and water supervision inspectorates. The legislator has regulated in Article 536 of the WLA issues related to continuation of investments commenced before enacting the Act through transferring rights and liabilities from agreements and decisions, referring to investment projects at public waters owned by the State Treasury and at basic amelioration facilities, to the Polish Waters, including agreements financed or co-funded by international sources, which have previously been implemented by regional water management authorities, provinces, province marshals, or relevant provincial organizational units. Article 526 of the WLA determined that on the day the Act enters into force, the Polish Waters also execute tasks of the previous President of the State Water Management Authority, previous directors of regional water management authorities, and province marshals, associated with maintenance of waters and remaining assets of the State Treasury related to water management, as well as water management investments. It shall be emphasized that all of the dues, liabilities, rights, and obligations of the previous State Water Management Authority and of regional water management authorities became dues, liabilities, rights, and obligations of the Polish Waters. Therefore there was a general legal succession from previous regional authorities to the Polish Waters. A direct reason for reforming the water management was an obligation to implement regulations under Directive 2000/60/EC of the European Parliament and the Council of October 23, 2000 – so-called Water Framework Directive, which provides frames for the community’s actions in reference to the water policy. Implementation of the reform was a condition Poland needed to meet to apply resources under operational programs

of the European Union for the years 2014-2020. The Project Implementation Unit (PIU) for this task is the State Water Holding Polish Waters, which has a legal personality and executes ownership rights in the name and on behalf of the State Treasury. Notwithstanding the above, the Regional Water Management Authority in Cracow is an internal organizational unit of the Polish Waters. Thus, the status of Investor for the task shall be applicable to the State Water Holding Polish Waters.

## 5 Primary Principles Adopted in the LA&RAP

Unless necessary mitigating and preventive measures are planned and implemented, real property acquisition may create and strengthen social inequalities, cause social exclusion and result in permanent environmental damage. Therefore, the principles below have to be followed in the design and implementation of the land acquisition and resettlement process:

1. Permanent real property acquisition shall be minimized or avoided where possible. Where permanent acquisition is unavoidable, one shall follow the procedures and requirements outlined in this LA&RAP which concern mitigating the impact of real property acquisition on the affected parties.
2. The expropriation procedures shall improve the people's living conditions, and shall at least restore them to the level present prior to implementation of the Project.
3. All Project Affected Persons shall participate in social consultations on equal terms and the needs of particularly vulnerable groups shall be taken into account. They shall also be offered a possibility of participation in the Project development process and access to grievance redress mechanisms. Public consultations shall include the needs of particularly vulnerable groups, as well as those resulting from sexual identity of participants.
4. Project Affected Persons have access to honest, fair and inexpensive proceedings of their appeal to an independent authority or court without intentional delay if enforced.
5. All cases of real property acquisition, either permanent or temporary, shall undergo procedures based on Polish law and OP 4.12. LA&RAP is in compliance with RPF (see: [http://odrapcu.pl/doc/OVFMP/Resettlement\\_Policy\\_Framework.pdf](http://odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf)).
6. The LA&RAP is related to permanent or temporary acquisition of real properties, and also to permanent or temporary restriction of use of the properties, especially resulting in the loss (temporary or full) of income sources or in deterioration of life standards.
7. The implementation of the LA&RAP shall be monitored and reported and, after its completion, evaluated by the World Bank.
8. The process of social participation as well as protective and mitigating measures shall be carried out in accordance with the necessity of fair treatment regardless of age, ethnic origins, sex or disability of Project Affected Persons. Particular attention shall be paid to the households with members/member belonging to particularly vulnerable groups.
9. The LA&RAP is an integral part of the Works Contract. All costs connected with the necessity of planning and implementing the compensation measures shall be included in the budget as well as the benefits of the Project.
10. Compensation for Project Affected Persons on whom the Contract has an economic impact shall be paid prior to starting the construction works on the real property undergoing expropriation.
11. Within the framework of compensation measures, in accordance with World Bank policies, priority shall be the "land-for-land" compensation through allocation of properties with an equivalent productive potential and location. Cash compensation will also apply wherever acquisition of the properties or its part does not affect the possible use of the property for previous purposes, as well as wherever persons economically affected by the effects of the Project are willing to receive cash compensation. Cash compensation shall also be applied where there is no appropriate replacement property.

Socio-economic studies done and the analysis of properties management show that acquisition has negligible impact on revenue of the PAP.

Due to small areas of acquired properties, not using them for farming and non-farming activities, and to the absence of impact on PAPs' income, the compensation shall be done in cash.

12. The Contractor shall obtain the land for temporary acquisition on its own and at its own cost, in a range wider than given in the IPIP, and – while negotiating the temporary acquisition conditions for the properties – it shall observe the rules determined under this LA&RAP (the process will be monitored by the PIO and by the Consultant and shall be performed on a voluntary basis and in accordance with rules specified in the agreement concluded between the property owner and the Contractor for works).

Temporary acquisition of the properties done by the Contractor for the purpose of Contract implementation in a range wider than the one determined under the IPIP is possible only based upon a written, voluntary consent of the property owner, and based upon the rules determined in the agreement providing consent. An agreement template is given in Appendix no. 8.

13. The Contractor shall agree and provide the Investor with information related to all agreements concluded for temporary acquisition. Temporary acquisition of properties for implementation of the Contract is possible only with voluntary consent of the property owner. Prior to the temporary acquisition of the property, the Contractor shall perform a detailed inventory and shall develop photo documentation for the aforementioned property.
14. The properties acquired by the Contractor for the purpose of temporary acquisition shall be restored to their original status after completion of the works in order to allow their owners or users to apply those properties in a way they did prior to implementation of the Project or to the condition agreed with the property owner based upon a property acquisition agreement.
15. Permanent restrictions in the use of the properties, as indicated in the IPIP decision, will, as a rule, be compensated in cash. The amount of compensation will take into account the loss of market value of the property.
16. All PAP, without regard to the legal title to the real property, shall receive support of various types, as per the principles set out in the Matrix of Compensation Measures included in this LA&RAP. Lack of a legal title to the real property should not be a bar to receiving compensation and/or a different type of support. Detailed principles of real property acquisition, social participation and mitigating, protective, preventive and compensation measures shall be established in this LA&RAP.

If necessary, the LA&RAP shall be update along with the progress of designing and with the occurrence of new factual and legal circumstances.

## 6 Impact Mitigation

### 6.1 SOCIAL IMPACT

Under OP 4.12, social impact related to expropriation includes all direct economic and social losses stemming from real property expropriation as well as from permanent restriction of the former manner of use or of the access to the real property. Thus, the primary criterion of assessing the significance of social impact shall be the percentage ratio of the entire real property to its expropriated part. One shall also take into account the data obtained during a socio-economic survey.

The following criteria compliant with OP 4.12 were adopted to assess the social impact for the purposes of this LA&RAP:

- secondary impact: such an impact is exerted by a loss of less than 20% of the land or resources belonging to particular PAP, without physical relocation;
- significant impact: such an impact is exerted by a loss of more than 20% of the land belonging to particular PAP.

At assessing the significance of impacts, data collected during the socio-economic survey, at the stage of designing, and at proceeding the application on the issuance of a decision on environmental conditions for implementation of the Contract was included, especially in the range of the expected impact on the environmental elements that may affect the previous use of the properties.

#### 6.1.1 Occurrence of significant impact

In case of areas owned by the State Treasury, impact was considered as insignificant, because acquisition of properties from those units does not exert significant impact on their situation and functioning.

There is no impact associated with necessary physical relocation of households or farms for the planned Contract.

Due to implementation of the Contract there is no significant impact on the PAPs. There are no physical or economic resettlements. It was identified in all cases that the impact associated with implementation of the Contract shall be insignificant.

The owner of 3 properties, where it is planned to establish permanent restriction (i.e. plots no.3/10, 3/12, and 3/25), is a sp. z o.o. sp. k.. Whereas the perpetual user of 2 of the acquired properties, where both: permanent acquisition, as well as – partially – permanent restriction (i.e. 7/11 and 7/12 – ownership of the State Treasury) are planned, is a limited liability company.

One property (plot no. 46/2) is subject to perpetual usufruct by a natural person (plot owned by the State Treasury), but information obtained on the stage of socio-economic survey states that soon it shall be a subject of sales to a legal person.

Due to small areas of plots to be permanently acquired or to be restricted permanently, and due to the manner of use for the acquired plots, it shall be stated that as a consequence of implementing the Contract there shall be no significant impact on the PAP.

## 6.2 MITIGATION MEASURES

1. The design works are carried out in such a way as to minimize the number and the area of plots necessary to acquire.
2. The amount of compensation for lost properties will be determined by agreement, based on estimates prepared by independent property valuers or by decision of the Governor of Malopolska Region – also based upon estimated. The valuation constituting the basis for determining the amount of compensation will be reliable, objective and independent, so that the current owner receives a price for the property corresponding to the actual loss, and thus it shall minimize the adverse impact of the loss of property ownership on their financial situation.
3. Priority within the framework of compensatory measures will be given to compensation on the basis of "land for land" by granting a property of the similar production potential and location. Cash compensation will be applied where the property acquisition or part of it does not affect the possibility of using the property for existing purposes, as well as where the person economically affected by the Contract is willing to receive cash compensation, and in cases where there is no property on the market with similar production potential and market value, which makes it impossible to make compensation on the basis of the "land for land" principle.
4. For the persons who have indicated a form of "land for land" compensation, an attempt will be made to obtain suitable replacement properties.
5. Any cost associated with implementation of protective measures are included in the compensation package. No protective measures have currently been expected; however, it may change during implementation of the contract. Any cost associated with implementation of measures minimizing and compensating adverse impact shall be included in the Project costs as eligible expenditures.
6. Any expropriated person will be entitled to use the land in its current manner free of charge until the compensation is obtained or (in case of failure to reach agreement on the amount of compensation) its undisputed part.
7. 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.
8. The Investor has prepared an information brochure, which is attached as Appendix No. 8. Its aim is to provide PAPs with the most important information on the rules of purchasing the properties for the purposes of Contract implementation, on the rules of determining and paying compensation for the expropriated properties and on the possibilities of lodging complaints, comments and motions in connection with the planned Contract implementation.

9. Within the information campaign, PAP shall also be informed about the possibility of applying for purchase of the remaining part of the real property, i.e. the so called “remnant”, if the remaining part is not fit for use for its former purposes after real property division and acquisition of its part for the Contract implementation (under art. 23 par. 2 of the Special Flood Act). During the socio-economic research (done in the break of September and October 2019) the owners were informed about a procedure for the purchase of “remnants”, as described under this LA&RAP. The possibility of purchasing a remnant means that where parts of properties left after the expropriation would not allow for use for previous aims in accordance with the purpose of properties, the Investor upon a request of the PAP – after completing an analysis in that scope – may purchase those properties through a civil law agreement, in accordance with a procedure described under this LA&RAP. Payment of compensation due to the purchase of “remnants” shall be done based upon a civil-law agreement, in accordance with the procedure described under this LA&RAP (Chapter 8.2.4).
10. Due to implementation of the Contract it may be necessary for the Contractor to temporarily acquire real properties (with its own effort and upon its own cost), in a range 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 locations of temporary acquisition shall be determined after selection of the Contractor. The Contractor – while negotiating the conditions for temporary acquisition of properties – shall observe the rules determined under this LA&RAP (the process shall be voluntary). The negotiations and agreements between the Contractor and the property owner referring to the temporary acquisition shall be monitored by the PIO and by the Consultant to assure fairness of the agreement and favorable nature for the landowner. A template agreement is given in Appendix no. 8.
11. Prior to the temporary acquisition of the property, the Contractor shall perform a detailed inventory and shall develop photo documentation for the aforementioned property.
12. The properties to be temporarily acquired shall be restored to their original condition or to the condition determined in the agreement after completion of the works and returned in a good condition in order to allow their owners or holders to use those properties in a way they did prior to implementation of the Works Contract or in accordance with a statement of agreement. The PIO and the Consultant shall monitor the reinstatement of the site to the good condition or a contractually agreed temporary acquisition to ensure that the Contractor complies with this requirement.
13. The construction facilities will be located in a way that will have the least possible impact on the quality of life of the residents, if possible within the splitting lines of the Contract area. Additional areas considered as working areas which are located outside the construction site will require agreement with the Investor.
14. 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 planned construction. This will reduce the impact on road infrastructure.
15. Prior to the commencement of works, the Investor will conduct a information campaign about the planned execution of the Contract and launching an information point for persons affected by the Contract impact, where they will be able to submit their applications and comments to

the performed construction works and planned acquisition. An information brochure will be prepared and sent to all persons covered by the impact of the contract, including information on the possibility of lodging complaints (in accordance with the provisions of LA&RAP) and providing the contact details.

16. PAPs will be notified about the physical commencement of works by the Investor in advance, which will allow the completion of properties' management, but not less than 30 days. The Investor may agree to extend the deadline if the change does not collide with the Works implementation schedule.
17. If necessary, the Consultant shall need to support the PAP in developing e.g. map appendices for applications on the purchase of "remnants".
18. The owner or the perpetual usufructuary of the property covered by the PR (permanent restriction) may summon the State Treasury to purchase the properties, through filing a motion within 90 days from the day of receiving a notification on the commencement of proceeding on the issuance of IPIP, in conformity with Article 22 (2) of the Special Flood Act (the purchase cannot be requested by an owner of property, where public roads are located, i.e. unit of local authorities or the State Treasury). The purchase price shall remain a proper value for the property with a similar potential and purpose.
19. In accordance with rights resulting from Article 21 (7) of the Special Flood Act, in case of the previous owner or perpetual user of properties under the IPIP, who would hand the property over not later than within 30 days from serving a notification on the issuance of IPIP, the compensation amount shall be increased by 5% of the property value or of the perpetual usufruct rights' value, based upon the rules determined in the Special Flood Act. Furthermore, the Investor shall provide the PAPs with forms on property handing over protocols and shall provide necessary explanations on the case.
20. In case the PAP would not accept the value of compensation indicated by the Governor, the PAP is entitled to claim against that decision to the Minister responsible for civil engineering (as at the date of the final version LA&RAP preparation, the Ministry of Economic Development, Labour and Technology), and upon PAP's request to payment of undisputable portion of the compensation, i.e. the amount indicated under the discussed decision of the Governor (Article 21 (11) of the Special Flood Act).
21. In case that the negotiations between the Investor and the owner/perpetual usufructuary of the property (regarding the amount of compensation) fail, pursuant to Art. 20 paragraph 2 of the Special Flood Act, the case is handed over to the Governor. The Governor will determine the amount of compensation by way of a decision. Regardless of the above, the Investor shall propose PAP with payment of compensation for expropriated property in the amount of 70% of the property value defined in the estimate developed upon the Investor's order, regardless of the administrative proceeding establishing the compensation amount in progress. Payment of the undisputable portion of compensation shall be done based upon an agreement between the PAP and the Investor. If the compensation value determined under the administrative decision would be higher than the compensation proposed by the Investor, the remaining portion of compensation (up to the amount established in the decision) shall be accounted and paid to the PAP after the decision would get final. It is important that accepting the portion of compensation proposed by the Investor would not mean accepting the amount of



compensation established in the estimate developed upon the Investor's order, and it would not affect the case in progress on the amount of compensation for the expropriated property.

22. A wider description of measures mitigating and minimizing adverse impact, including ones referring to valuable environmental resources, is given in the document titled: Environmental Management Plan for the Contract *3A.4 Extension of a section of the right embankment downstream of the Dqbie Barrage, including development of a flood gate in the area of a repair yard.*

## 7 Socio-economic Survey

### 7.1 SOURCES AND METHODOLOGY

The socio-economic survey was conducted by the legal and properties team located in the structure of the Consultant responsible for developing this LA&RAP.

The basic source of information on the development and use of the real properties to be acquired is the analysis of GIS data, as well as verification on the Contract implementation site. Holding status of the properties to be acquired was identified based upon the analysis of land and mortgage registers. The presence of the infrastructure was established on the basis of the analysis of GIS data and design documentation (including maps for designing purposes), as well as verification on the Contract implementation site.

In case of social impact the basis data source were data obtained based upon available registers (e.g. business register, National Court Register). One has also based upon statistics provided by the CSO, materials found in the Internet (data from websites of the Authorities, internet forums, etc., information provided by local press).

According to the Polish law, the day of submitting an application on the issuance of IPIP shall be adopted as a final date for the socio-economic survey (cut-off-date).

As a result of an initial analysis of collected data and of a scope of the Contract, it was stated necessary to perform site surveys among owners of land covered with the expropriation procedure. The survey was done in October and in November 2019 using standardized questionnaires. The interviews were extended – except for answering standard questionnaire questions, the respondents were able to freely inform their attitude towards the Contract, which was recorded in details by members of the survey team. That data was also analyzed.

The survey questionnaire was developed based on the guidelines of the World Bank's operational policy OP 4.12 and it included a request to indicate in detail all the socio-economic costs associated with the Works Contract and discuss them with the representatives of the households.

#### 7.1.1 Problems

In case of 2 private owners it was not possible to do the interview, as it was not possible to contact them within the deadline provided for the survey (1 limited company) or it was refused to participate in the survey (despite ongoing contacts with the PAP the survey team did not received a filled-in questionnaire – Limited Liability Company).

Status	Plot no.	Ownership status
Completed interview	46/2	<u>Owned by:</u> State Treasury <u>Perpetual usufruct:</u> natural person <i>A preliminary agreements was signed with a limited company on sales of the property.</i>
	3/12	<u>Owned by:</u> Limited Liability Company

Not possible to reach the respondent	3/25	
	3/10	
	7/11	<u>Owned by</u> : State Treasury <u>Perpetual usufruct</u> : limited company.
	7/12	
<b>TOTAL</b>	<b>5 plots</b>	<b>3 private owners</b>

## 7.2 SOCIAL AND ECONOMIC DATA

### 7.2.1 Demographic and economic specificity

#### Basic data on population

The properties under this LA&RAP are located entirely within the City of Cracow.

According to data provided by the CSO in the end of 2018, the City of Cracow is inhabited by 769 498 people, population density is 2 359 persons/km<sup>2</sup>. 53.3% of citizens are women, and 46.7% – men; the working age ratio for the population is 62.0%. The birth rate for the City of Cracow is 2.0 per 1 000 citizens (1.6 per 1 000 for Małopolskie Province), whereas the migration ratio is around 6.1 per 1 000 citizens (1.4 per 1 000 for Małopolskie Province).

Citizens of Cracow are about 2% of population in Poland and almost 23% of population in Małopolskie Province. Mean population density for Cracow was 2 359 persons per 1 km<sup>2</sup>. It may be compared to the mean population density for the province in the same time, which was 221 persons per 1 km<sup>2</sup>.

#### Employment and income

Unemployment rate for the City of Cracow in January 2020 was 2.0%, and was lower than the mean value for Małopolskie Province – 4.3%.

Average gross remuneration in the City of Cracow is PLN 5 968.56 and is higher than in case of Małopolskie Province (PLN 5 256.76). It is different than the national average salary in Poland (PLN 4 918.17; CSO data for 2019).

The data prove that the situation on the labour market in Cracow is better than in case of the entire province.

For the purpose of analyzing the economic aspect of households' function it is important to determine their maintenance sources. The maintenance sources for a household result from individual sources of income obtained by particular members of the household. It is assumed that the source providing the most of resources in the household's budget – applied for the needs of all household members – is the main maintenance source.

The most of the households of Cracow are households with the main maintenance source provided by labour (regardless of the employment specificity). The most of them – 52.9% of households – refers to labour in a private sector. A smaller group of households is related to labour in a public sector – 31.7%. The most of citizens of Cracow assess their material situation as average, and every fourth household

deems that it is rather good or very good, and less than every fifth – as rather bad or bad. It shall simultaneously be underlined that in case of cities with over 500 K of inhabitants, i.e. also in Cracow, the average monthly income per person was 52.6% higher than the average for the country, and it was 1.5 percentage point less than a year before (source: CSO survey “Subjective Assessment of Material Situation of Households”, 2018). However, the expenses were 49.7% higher than the national average rate, and it was 0.7% less than a year before (source: Social Issues Solving Strategy for Cracow in the years 2015-2020).

### 7.2.2 Gender Equality

Discrimination is legally banned in Poland, and it is determined in the Constitution of 1997. Article 32 states that no one shall be discriminated against in political, social or economic life for any reason whatsoever. Discrimination against women shall mean 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 of 1979).

While willing to become a member of the European Union, Poland needed to adapt its law to valid EU regulations, also in the scope of gender equality. It mainly resulted in adjustments to the labour codex, but also in modification of politicians’ and public administration’s attitude.

In accordance with the Human Development Index (HDI) of the United Nations Development Programme (UNDP) for 2012 Poland is amongst the countries with a very high social development index. It is on 39 place in the ranking of 187 countries, i.e. above the average of countries in EBOR action area, and on a similar level to the average for countries of Central Europe and Baltic States. The Human Development Index covers three elements: health, education, and standard of living. In terms of UNDP Gender Inequality Index (GII) Poland is even higher – it is 24 in the world ranking. The Gender Inequality Index is a rate, which reflects the loss of development possibilities within the area of a given country due to unequal treatment of sex, and it covers three elements under appraisal, i.e.: reproductive health, empowerment, and labor market participation.

In case of participation of women in public life, the share of women in make-up of public units formed as a result of elections is small. In those terms the following are indicated, e.g.: low percentage of women present in the Sejm and in the Senate. Similar negative trends are characterizing other units formed as a result of elections, e.g.: commune councils, district councils, or provincial seyms (women are about ¼ of all councilors). It shall be emphasized that a minor percentage of women is for many years noticeable amongst village mayors, city managers, or mayors. However, an increasing number of women holding the position of village administrators draws attention, and that function is one of the most important ones in the context of civilian activities and development of social capital. Experience also indicates that women are equal participants of public hearings, and their engagement in local activities often results in their leading role in consultations. Finally, it shall be stated that for the purpose of promoting women and increasing their representation in decision-making and managing groups in business, numerous civil actions, declarations of political parties, and popularization of other countries’ examples are implemented, and the European Commission

undertakes its own initiatives ex officio, etc., which should result in the enhancement of equality of women and men in participation in the labour market or in decision-making groups. The analysis of survey results for last 10 years proves the progress in that field.

### 7.2.3 Land use

In case of the use structure of plots located within the planned Contract area, types of land and classes of land were tabulated for the areas affected by implementation of the contract – data was taken from Register of Land and Buildings and Land and Mortgage Registers for the properties in question.

Plot's register number	Description of use	Symbol of class	Area of use [ha]	Plot area [ha]
30/1	Various areas	Tr	0.3190	1.2396
	Grounds underneath flowing water	Wp	0.6866	
	Afforested and shrubbed grounds	LzIV	0.2640	
4/1	Other communication areas	Ti	3.5906	3.6167
	Various areas	Tr	0.0260	
33/1	Recreational and leisure areas	Bz	0.2399	0.2399
30/4	Various areas	Tr	0.2342	0.2342
6/10	Industrial areas	Ba	0.1322	0.1322
46/2	Industrial areas	Ba	1.4171	2.6624
	Other communication areas	Ti	1.0135	
	Various areas	Tr	0.2318	
3/12	Other developed areas	Bi	0.7300	0.7300
3/25	Recreational and leisure areas	Bz	0.0836	0.0836
7/11	Industrial areas	Ba	0.3309	0.3309
7/12	Industrial areas	B	0.0434	0.0434
30/5	Various areas	Tr	0.9372	19.3787
	Grounds underneath flowing surface water	Wp	12.4659	
	Permanent meadows	łIII	1.3268	
	Permanent pastures	PsIV	0.3920	
	Afforested and shrubbed grounds	LzIV	4.2568	
33/2	Roads	dr	0.3136	0.3137
35	Roads	dr	2.1098	2.1702
	Various areas	Tr	0.0604	
6/9	Industrial areas	Ba	0.6267	0.6267
3/10	Recreational and leisure areas	Bz	0.0324	0.0602
	Permanent meadows	łIII	0.0278	
221/6	Other developed areas	Bi	0.1222	11.4278
	Grounds underneath flowing surface water	Wp	11.3056	

<b>220/3</b>	<i>Recreational and leisure areas</i>	<i>Bz</i>	<i>1.2097</i>	<i>1.2103</i>
	<i>Grounds underneath flowing surface water</i>	<i>Wp</i>	<i>0.0006</i>	

Furthermore, 2 objects (metal-sheet garages) are located on plot no. 6/9. The indicated objects are to be demolished.

In the closest vicinity of the Contract, beyond its implementation area, there are numerous industrial and service buildings, Family Allotment Gardens “Zakole Wisły”, and the Dąbie Hydro-Electric Power Plant. Actions associated with necessary acquisition of properties are not expected within those areas.

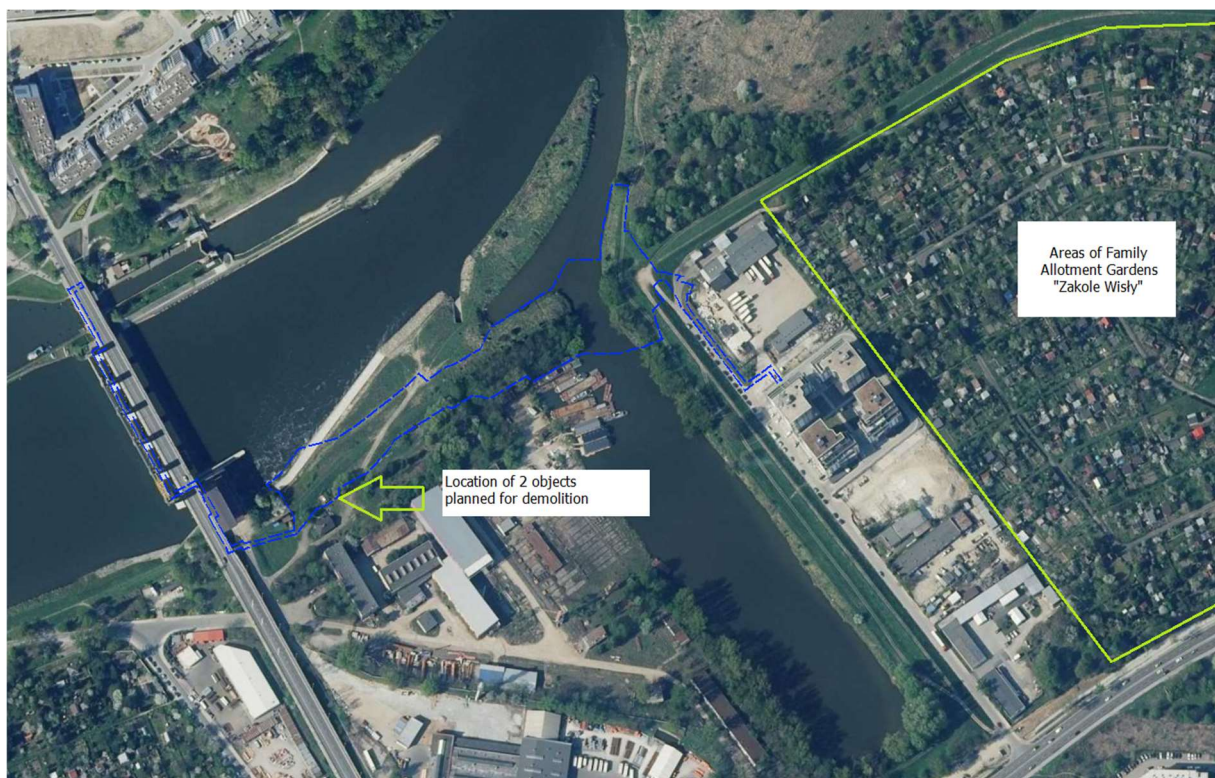


Fig 3. Orthophoto maps showing the planned Contract area

Photo documentation presenting the described area of Contract 3A.4 is given below.





*Photo 1 – View from the flood embankment to be extended towards the Płaszów Port.*



*Photo 2 - View from the flood embankment to be extended towards the Dąbie Barrage.*





*Photo 3 – View from the embanked area onto the flood embankment to be extended between the Dąbie Barrage and the Płaszów Port. A part of the building (not to be demolished) located within the area beyond the embanked area and a descend roads from the embankment crest – to be extended. Two small objects (metal-sheet garages) in the background are to be demolished – plot 6/9; owner: State Treasury, representing unit: State Water Holding Polish Waters.*



*Photo 4 – View from the embanked area onto the riverside slope of the embankment to be extended and onto the Dąbie Barrage. Visible revetments made of concrete slabs at embankment slope basis and outlet from the Dąbie hydro-electric power plant.*





*Photo 5 – View from the right abutment of the designed flood gate onto the entrance to the Płaszów Port, where it shall be located. Flood embankment on the other side of the entrance, which would be extended and connected with the designed gate.*

#### **7.2.4 Access and Communication**

The Contract area is located in the eastern part of Cracow, close to the provincial road no. 776 and to the Ofiar Dąbia Bridge. The access to the Płaszów Port is possible directly through Portowa Street marked on a local spatial development plan as 1 KDD meaning areas of public roads – access roads. Portowa Street provides access to the embankment along the River Vistula (riverside – plots no. 30/4 and 30/1, landside – plot no. 6/10), and subsequently by a dirt road located on plot no. 6/9 and an embankment crossing located on plot no. 6/10 – owned by the State Treasury. The access to the eastern port embankment is provided by Na Zakolu Wisły Street.

The Contract shall be directly linked with Na Zakolu Wisły Street (through a descend road from the embankment) and directly with Portowa Street (through a descend road from the embankment onto a dirt road – joining Portowa Street) – located on the plot owned by the Investor.

#### **7.2.5 Public Infrastructure**

There are no objects referred to as public infrastructure ones (especially schools or objects providing health care services) within the Contract implementation area, as well as within the Contract impact areas.

### **7.2.6 Cultural and historic objects**

There are no objects referred to as cultural heritage within the Contract implementation area, as well as within the Contract impact areas. There are archaeological sites; thus, it is expected to establish archaeological supervision for the time of contract implementation.

### **7.2.7 Technical Infrastructure and Structures Located within the Properties**

The port basin with adjacent facilities and structures is located within the area bounded by the following streets: Stoczniewców, Nowohucka, and Na Zakolu Wisły, within the District of Podgórze in Cracow. The port area is surrounded by flood embankment practically on all sides. Furthermore, at the edge of the landside embankment crest along Nowohucka Street and on the side of Stoczniewców Street there is a concrete fencing – partially made of a steel mesh. There also are concrete supports for the heating pipe, posts of the power line, and remnants of concrete ramps and chambers on the embankment crest. Branch interview, site visits, and analysis of a map for designing purposes identified the following technical devices and installations, which require protection, redevelopment, or demolition in the area of designed works:

- transfer collector 3000x2350 mm (protection and redevelopment),
- inactive power posts (to be demolished),
- inactive well (to be demolished).

Framework of the Contract expects development of a low voltage power cable or a medium voltage power cable supplying power to designed objects, and a teletechnical cable joining the designed objects with the control center located at the Dąbie Barrage. At crossings between the cables to be developed and the existing cables it may be necessary to protect the existing networks with protective tubes, depending on requirements of their consignees. It has also been foreseen to demolish inactive posts located on the flood embankment to be extended. Except for power and teletechnical networks, the existing combined sewer, running through the flood embankment to be extended, shall be redeveloped. The redevelopment shall comprise raising of the collector's chamber and provision of sealing for the embankment shield at the crossing with the collector.

### **7.2.8 Natural Resources**

There are no natural resources significant for the socio-economic study within the Contract implementation area, as well as within the Contract impact areas.

## **7.3 SPECIFICITY OF THE PAP**

3 PAPs were identified in the area to be permanently acquired and permanently restricted. Among the identified PAPs only one is a natural person, whereas the other 2 PAPs are private law companies. In case of the PAP remaining the natural person, it is a person running a business. As during the socio-

economic survey information on the potential buyer of that area were collected, due to the lack of data on the planned date of selling the property, a survey with the future buyer of the plot was done.

**PAP no. 1 – perpetual usufruct by a natural person on the State Treasury’s plot.** The area of 0.1987 is planned to be split and acquired from the plot no. 46/2 (2.6624 ha). Natural person in the state of insolvency. It was identified during the socio-economic survey that the person planned to sell the plot to a legal person. Discussions with the future buyer prove that it is planned to build a group of office objects – campus-type – on the plot, with potential inclusion of hotel and recreational function. Due to the fact that only a small area of the property would be acquired, the expropriation would not affect the possibility of implementing the Contract significantly.

**PAP no. 2 – Sp. z o.o. sp. k.** Permanent restriction was planned within plot no.: 3/12 (0.7300 ha) in the area of 0.0111 ha; 3/25 (0.0836 ha) in the area of 0.0307 ha; and 3/10 (0.0602 ha) in the area of 0.0104 ha.

The interview was not done during the survey. The public data (National Court Register) prove that the main subject of company’s operations is lease of properties and management of own or leased properties. The other scope of activity refers to implementation of construction designs associated with development of building, purchase and sales of properties on its own, and construction works associated with development of residential and non-residential buildings. The initial capital of the company is PLN 100 000. The company does not have a website.

**PAP no. 3 – Sp. z o.o.** Permanent acquisition in the area of 0.0004 ha and permanent restriction in the area of 0.0284 ha was planned for plot no. 7/11 (0.3309 ha); and permanent acquisition in the area of 0.0048 ha and permanent restriction in the area of 0.0044 ha was planned for plot no. 7/12 (0.0434 ha).

It is a power industry company producing power from renewable resources. The company is a part of a power industry enterprise . The company operates 35 hydro-electric power plants (11 at reservoirs and 24 flow-through-type ones) with a total power of 124.279 MW. Sp. z o.o. also operates wind power stations.

As given above, the PAPs are entrepreneurs, for whom the acquisition of properties does not provide significant source of income. Considering the fact that permanent acquisition and PR shall be implemented only for small parts of the properties not used by the PAPs for running their business, it shall be stated that implementation of the Contract shall not affect the market position, revenue, and functioning of the surveyed entrepreneurs.

## **7.4 THE NEED FOR UPDATING THE SOCIO-ECONOMIC STUDY**

Due to a minor impact of the planned Contract on the PAP, small population – specified by low dynamics of changes – covered by the survey, it is not necessary to update the socio-economic study.

The socio-economic survey shall not be published due to the protection of personal data.

## 8 The Binding Provisions of Law and Valuation Methodologies

This LA&RAP for the Contract titled *Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard* is based on the provisions of Polish law, as well as, due to funding from the resources of the World Bank, on the World Bank's Operational Policy 4.12 – Involuntary Resettlement.

The Loan Agreement between Poland and the World Bank is an act governed by international law and by concluding the agreement, Poland obliges to apply the World Bank's policies.

In case of discrepancies between Polish law and WB policies, the provisions which are more beneficial to the affected population are applied, at keeping the WB standards, with reservation of instruments determined under Clause 8.3.

### 8.1 OBLIGATIONS ARISING FROM OP 4.12

OP 4.12 is applied whenever the implementation of the Project requires:

- a) involuntary real property acquisition resulting in:
  - a. relocation or loss of shelter;
  - b. loss of assets or access to assets;
  - c. loss of income sources or lowering the standard of quality of life
- b) involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the quality of life of Project Affected Persons.

The following obligations stem from OP 4.12:

- Involuntary resettlement should be avoided or minimized where feasible by exploring all viable alternative contracts, and if it is not feasible to avoid resettlement, its range and impact should be minimized;
- Resettlement should be conceived and executed as development activities providing sufficient measures and resources that will enable people affected by resettlement to participate in the benefits of the implemented 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 Project implementation;
- Resettled persons should be given full compensation before resettlement in an amount equal to the restoration costs, assistance in relocation and assistance and support during the transition period;
- Lack of a legal title to the land should not be a bar to receiving compensation;
- Particular attention should be paid to vulnerable social groups and individuals (e.g. single mothers, the handicapped, the poor);
- Communities should be given opportunity to participate in planning, implementation and monitoring of the resettlement process;
- The resettled persons should be assisted in the integration with the host commune;
- Resettlement should be closely linked with the Contract implementation schedule so that the resettled persons could obtain the compensation before starting the construction or before other activities of the Project;
- Monitoring of resettlement shall be performed as well as its evaluation;

- As regards rural or farming lands, even when it is possible to apply cash compensation, “land-for-land” compensation is particularly recommended, if economically feasible. 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 valuation or cash compensation of which is complicated, for example, access to public services, access to customers or suppliers, fishing areas, access to pasture and forest areas, efforts should be made to establish access to equivalent and culturally appropriate resources and income opportunities.

## 8.2 POLISH LEGAL REQUIREMENTS

The most important normative acts concerning acquisition of rights to real properties necessary for Contract implementation are:

- Constitution of the Republic of Poland of April 2, 1997 (Journal of Laws no. 78 item 483 as amended),
- The Law of April 23, 1964 – Civil Code (Journal of Laws of 2019, item 1145),
- The Law of July 8, 2010 on specific terms of preparing for implementation of projects in the scope of flood protection facilities (Journal of Laws of 2019, item 933),
- The Law of August 21, 1997 on the land management acquisition (Journal of Laws of 2020, item 65, as amended),
- Act of July 20, 2017 – Water Law (OJ of z 2020, item 310, as amended),
- Regulation of the Council of Ministers of September 21, 2004 on the evaluation of properties and on the development of estimate studies (OJ no. 207, item 2109, as amended).

The Civil Code governs legal relationships between natural and legal persons, including those concerning conclusion of agreements transferring ownership rights to properties. A binding principle here is the freedom of drafting agreement content and deciding if and with whom one wishes to conclude the agreement. Unanimous declarations of the parties determine agreement conclusion. The Civil Code provides for a special form of concluding agreements whose subject is the transfer of ownership of property. They should be concluded as a notary deed in order to be valid.

Mechanisms for involuntary acquisition of rights to the properties are included in the Special Flood Act and in the PMA.

### 8.2.1 Real property acquisition under the Special Flood Act

According to the Special Flood Act the expropriation of real estate or parts thereof, as well as permanent and temporary restriction of the use of property or part of it takes place in IPIP issued by the Governor. Expropriation occurs at the moment in which IPIP becomes final.

Additional, if perpetual usufruct is established on the property owned by the State Treasury or local government unit, then it shall expire on the day on which the IPIP becomes final.

With the transfer of the ownership of the property in favor of the State Treasury or local government unit, the property owner, the holder of perpetual leasehold rights or a person with limited property rights is entitled to compensation in cash or to replacement properties (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 real property at a market price is rather assumed.

The amount of compensation is determined separately for each property through individual negotiations between the Investor and the previous owner or perpetual usufructuary. Negotiations are implemented on the basis of an independent and objective valuation of the appraiser, having the relevant license (professional state certification for property evaluation).

The amount of compensation is determined in the condition as of the date of issuing the IPIP, but with reference to real property value as of the date on which the amount of compensation is determined.

In case the Investor and the expropriated party (owner and/or perpetual leasehold rights and/or person with limited property right) reach an agreement as regards the amount of compensation, a written agreement is concluded, determining the amount of compensation for each of these persons/entities, and time and manner of payment.

However, if the agreement is not reached within 2 months of the date the IPIP becomes final, the amount of compensation is determined by the Governor in a decision. Before issuing a decision, the Governor appoints an independent expert – a valuer for the purpose of property evaluation. The party has also the right to property valuation prepared by a valuer in the proceedings before the Governor. In such case the Governor has to account for the opinion presented by the affected party in the decision determining the amount of compensation. In the case in which the party makes any comments and proposals in the proceedings before the Governor, the Governor has to refer essentially to these comments and proposals at the stage of the proceedings, and then in the issued compensation decision.

If the limited property rights have been established on the real estate or the right of perpetual usufruct of this real estate, these rights shall expire on the day on which the investment permit decision becomes final.

If the real estate owned by the State Treasury or a local government unit has been put into perpetual usufruct, this use shall expire on the date on which the decision on the investment permit becomes final.

The compensation due to the current owner or perpetual usufructuary is reduced by the amount of limited property rights established on the property (e.g. use, easement, pledge, cooperative ownership right to the premises or mortgage). This amount is estimated by an independent property appraiser in accordance with the principles set out in the Regulation of the Council of Ministers on the valuation of real estate and the preparation of an appraisal report.

The decision issued by the Governor may be appealed to an authority of higher level, i.e. to the competent Minister (as at the date of the final version LA&RAP preparation, the Ministry of Economic Development, Labour and Technology).

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 a 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 Regional Administrative Court within thirty days of the decision delivery to the applicant. In turn, the party has the right to lodge an appeal in cassation against the judgment of the Regional Administrative Court to the Supreme



Administrative Court within thirty days of the delivery of the copy of the judgment with the justification to the party.

### 8.2.2 Establishing permanent restriction in managing real properties

The initiation of proceedings for the issuance of such IPIP requires a motion from the Investor, which is required to identify, among others, real property or parts thereof necessary for its functioning, which does not become the property of the State Treasury, but to which the use is permanently restricted (hereinafter referred to as the PR). Such a motion has to be considered and, depending on the administrative authority's arrangements, disclosed in an IPIP decision issued by the Governor (art. 9 item 5b of the Special Flood Act).

Another PR category stemming from the IPIP, but not necessarily from the Investor's motion, covers areas exposed to direct flooding risk and areas exposed to potential flooding risk, or areas exposed to particular flooding risk if designated (Article 9 (8) letter f) of the Special Flood Act). Such real properties shall not be subject to a permanent change of the manner of managing them and, as a rule, shall be able to be used by the owner (the holder of perpetual leasehold rights) like before contract implementation, but after Contract implementation always with certain functional restrictions.

Those restrictions and the inconveniences related to them as well as restrictions of the economic and market potential of the real property (e.g. a construction ban, a ban on planting trees, a ban on running the agricultural activity) negatively affect the real property market value and have to be made up for by a due compensation. In an extreme case of the property loss of usefulness for the owner (holder of perpetual leasehold rights) they can demand its redemption on civil law making the request to the investor in this regard in accordance with Article 22 (2) of the Special Flood Act through provision of a motion within 90 days from receiving a notification on the commencement of proceeding on the issuance of IPIP (owner of properties where public roads are located does not have that right). In the case of non-use of this procedure, an administrative course remains establishing appropriate compensation.

The Special Flood Act does not define PR or indicate the administrative authority competent in the subject matter of determining such compensation in administrative proceedings. Such condition, i.e. the lack of an explicit provision of law indicating the subject matter (competence) of an authority, is caused by an obvious legal loophole and authorizes one to apply *analogii iuris* in the administrative proceedings in reference to the Act of April 10, 2003 on the special rules for preparation and implementation of public roads investments (OJ of 2018, item 1474, as amended) relating to the issuance of CIRD and defined in the Judgement of the Supreme Administrative Court in Warsaw of November 9, 2012 (ref. no.: I OW 142/12). While indicating the Governor as a competent unit, the Court states unambiguously that *"the competent authority to determine the compensation is the authority that issued the decision on consent for implementation of a road development (...) because the legislator cannot separate the competence to determine the compensation for the results of the same decision depending on the subject of that compensation"*.

It should also be assumed that there may be a necessity for applying Article 30 of the Special Flood Act, according to which *“the provisions of the Real Estate Management shall apply respectively”* to the extent not regulated in these Acts and realizing that instruction base on the of RPM law.

As a consequence, the Governor – who issued the IPIP – shall be competent to establish the compensation due to implementation of PR, and the compensation itself may be established based upon the rules determined under this LA&RAP.

### 8.2.3 Special Procedures

Under Article 133 of the RPM Law, the Investor shall submit the amount of compensation to a court deposit in accordance with the decision of the Governor requiring the Investor to pay compensation for the court deposit. That is an equivalent of fulfilling the performance. It takes place only in two cases: when the person entitled refuses to accept compensation or the payment thereof encounters impediments difficult to overcome (e.g. lack of legal capacity of the creditor, his prolonged absence in the country in the absence of the establishment of a proxy, natural disasters, martial law); and if the compensation for expropriation applies to properties with unsettled legal status (see: sentence of the Regional Administrative Court in Lublin of February 25, 2005, ref. no.: II SA/Lu 884/04).

Submission of a court deposit has the same effect as the fulfilment of performance and obliges the creditor to redeem the cost of submission to the debtor. The cost of transferring the amount to the escrow account shall be borne by the Investor. According to OP 4.12 a person affected by the project does not bear any cost in that scope.

In case of potential overrule of the motion by the court the fee shall not be returned, and, additionally, if the creditor (as a participant of the proceeding) would be replaced by a legal adviser or by a counsellor, the court may order the Investor to pay the determined amount as remuneration for court representation.

### 8.2.4 Purchase of “remnants”

If a part of a real property is acquired and the remaining part is not fit for use for its former purposes (so-called “remnant”), the Investor is obliged to purchase that remaining part of the real property if its owner or holder of perpetual leasehold rights submits a relevant motion (under Article 23 (1) of the Special Flood Act).

The motion concerning the purchase of “remnants” may be submitted before issuing the IPIP, but the real property purchase may take place only after issuing the IPIP.

The “remnants” shall be purchased by concluding civil law agreements after issuing the IPIP for the Contract in accordance with the following procedure:

1. The real property owner/holder of perpetual leasehold rights submits a motion to the Investor containing:
  - a. a justification indicating why the remaining part of the real property after the acquisition is not fit for use for its former purposes,
  - b. marking of the “remnant” on the copy of the property allotment map or the site plan or on the land splitting map



2. Assessment of the submitted motion by committee appointed by the Investor. The committee composition shall include the representative of the team for monitoring and implementation of LA&RAP and specialists for technical matters and for the real property management. A representative of the LA&RAP Consultant may participate in commission meetings as an advisor.
3. A decision about purchase or refusal to purchase is made promptly but not before issuing the IPIP decision. A condition for efficient consideration of the application is its completeness.
4. The motion submitter is notified of the decision about purchase / refusal to purchase of the “remnants”.
5. Obtainment of a valuer’s opinion on the value of the “remnants”.
6. Negotiations are conducted with the real property owner/holder of perpetual leasehold rights concerning the amount of compensation.
7. A real property purchase contract (purchase of the “remnants”) is concluded as a notary deed.
8. The compensation is paid.
9. If a property is not qualified for purchase as a “remnant”, the owner is entitled to file for purchase to a court of general jurisdiction.

#### **8.2.5 EU subsidies**

Among the properties expropriated for the purpose of Works Contract implementation there are no agricultural/forest properties covered by support programs, i.e. ones for which the owners/holders receive subsidies or for which support is provided.

### 8.3 ADOPTED MECHANISMS OF ACQUISITION OF RIGHTS TO REAL PROPERTIES<sup>3</sup>

The LARPF indicates a number of inconsistencies between OP 4.12 and Polish law: <b>OP 4.12</b>	Polish law	Corrective measures
Lack of a legal title to the land should not be a bar to receiving compensation/compensation payment. Persons without a legal title are eligible for compensation.	The Polish legal system does not account for the right to compensation of landowners/users that do not hold legal title to it (except for persons who acquired the title by usucaption, i.a. a method by which ownership can be gained by uninterrupted possession of the real property for a period indicated in the act CC).	Each case of a Contract Affected Person without a legal title to the real property shall be analyzed individually for the possibility of applying general mechanisms from the Civil Code to achieve the objectives of OP 4.12.  As per OP 4.12, Project Affected Persons without a legal title to the real property are not eligible to receive cash compensation for the real property. However, they are eligible for compensation for any facilities, plantings or improvements to the real property that were done before the cut-off date and for receiving adequate solutions in cases where they have to be physically or economically displaced. In those cases, additional mitigating measures shall also be applied.
WB policy requires compensation for loss of income <sup>4</sup> (e.g. from business or agriculture, etc.) resulting from real property acquisition for the purposes of implementation of the planned Works Contract.	Provisions of Polish law do not provide for compensation for the loss of income resulting from Contract implementation.	Persons who lost the income or employment shall receive support (health insurance, professional trainings etc.) from employment offices.  In case of entrepreneurs, it is possible to apply general mechanisms from the Civil Code (covering the loss suffered and the expected profits which were lost).
Particular attention should be paid to the needs of vulnerable social groups, such as the poor, the elderly, single mothers, children or ethnic minorities.	Polish law does not require planning specific measures aimed at providing additional assistance to vulnerable social groups (the elderly, the handicapped, the poor and other groups which may have special needs).	The expropriated persons shall receive all the necessary help in obtaining assistance provided to citizens by offices and institutions.  Additional measures shall also be implemented as needed to ensure that the objectives of OP 4.12 are met.
WB Policy requires additional compensation for the expenses incurred by the PAP as a result of physical relocation (e.g. transport of materials) and assistance in implementing the resettlement.	Assistance regarding incurring the costs of relocation and other similar costs resulting from the necessity to move to a new location by citizens and enterprises is not provided in the law.	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.

<sup>3</sup> The table given in this chapter is compliant with the LARPF.

<sup>4</sup> In case of the Polish economy understood as revenue.

The LARPF indicates a number of inconsistencies between OP 4.12 and Polish law: <b>OP 4.12</b>	<b>Polish law</b>	<b>Corrective measures</b>
The compensation should be paid prior to physical acquisition of the land for the purposes of Contract implementation.	The Special Flood Act allows for acquiring the land and commencing works before the compensation is paid.	<p>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 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 shall be transferred to the court deposit and placed on the court's escrow account.</p> <p>To minimize the risk of commencing the works before compensating for losses, the Works Contract shall plan and conduct real property acquisition in advance of the commencement of works.</p>
Compensation for the loss of assets is based on their market value plus any transaction costs (e.g. taxes, fees) and the objective is for the compensation to be sufficient to effectively restore the lost assets (replacement value).	The applied methods of valuation may lead to lowering the real property value as compared to prices of similar real properties on the local market.	<p>The valuation of the real property shall be conducted by an independent and experienced expert. The expert's opinion should be verified by the PIO. The expropriated party should be granted a proper amount of time to become familiar with the expert's opinion. Should there be any doubts regarding the sufficiency of the due amount of compensation, the value of the real property should be estimated by an independent expert in the proceedings before the Governor.</p> <p>In all cases, the valuation has to indicate the compensation value.</p>
It is required to prepare a socio-economic survey and a LA&RAP as well as to monitor compensation measures, resettlement and life quality level restoration measures and evaluate the efficiency of all the above measures.	Provisions of Polish law do not account for an obligation to prepare a socio-economic survey or a LA&RAP as such. There is no obligation to monitor or evaluate their implementation either.	Socio-economic surveys and the LA&RAP are being prepared based on the LARPF, OP 4.12 and good practices.

In accordance with the provisions of the Special Flood Act, the plots are acquired within the framework of an expropriation procedure. In any case, the Investor's priority will be to obtain an agreement with

a PAP concerning the terms of property acquisition (form of compensation, date of property acquisition, terms of use after issuing the IPIP, etc.). After issuing the IPIP, negotiations on the level of compensation will also be conducted on the basis of an independent valuer's opinion. When the negotiations initiated do not lead to the determination of the amount of compensation within 2 months from the date on which the IPIP became final, the amount of compensation will be determined by the Governor of Malopolska Region by way of a decision on the basis of a valuation made by an authorized valuer appointed by the Governor.

Regardless of the above, the Investor shall propose PAP with payment of compensation for expropriated property in the amount of 70% of the property value defined in the estimate developed upon the Investor's order, regardless of the administrative proceeding establishing the compensation amount in progress. Payment of the undisputable portion of compensation shall be done based upon an agreement between the PAP and the Investor. If the compensation value determined under the administrative decision would be higher than the compensation proposed by the Investor, the remaining portion of compensation (up to the amount established in the decision) shall be accounted and paid to the PAP after the decision would get final. It is important that accepting the portion of compensation proposed by the Investor would not mean accepting the amount of compensation established in the estimate developed upon the Investor's order, and it would not affect the case in progress on the amount of compensation for the expropriated property.

Owners of power lines, gas piping, and telecommunication lines to be demolished shall receive compensation in a form of a new transmitting device (transmission network) developed within other properties to replace the demolished facilities. PR in managing the properties or utility easement for the transmitting entrepreneur – who owns the demolished and redeveloped network – shall be implemented within the properties where new transmitting devices shall be developed. According to Article 305<sup>1</sup> of the CC, the sense of utility easement is encumbering the property with the use right to that property within the boundaries determined by the purpose of transmitting devices. Such an encumbrance comprises the: access, use through ongoing exploitation, inspections, controls, maintenance, modernization, overhauls, removal of failures, replacement of devices placed on a particular property in a scope necessary to ensure proper and undisturbed operation of a transmission network of the enterprise (see: resolution of the SC of April 18, 2012, ref. no.: V CSK 190/2011, LexisNexis no. 3971510).

The basic method for establishing the utility easement is an agreement between the property owner and the entrepreneur. The property owner may demand relevant remuneration for establishing the utility easement. If the property owner refuses to conclude an agreement, the utility easement may be established for a relevant remuneration by the court based upon the entrepreneur's motion in a non-litigation proceeding, similarly as in case of the easement of access. The remuneration is defined by the court, usually by an expert, while considering the type of facilities and the related use method for the property by the entitled party, and the impact of those devices on limiting ownership rights to that property. The same right has the property owner, if the entrepreneur refuses to conclude an agreement establishing utility easement, which would be necessary to apply the discussed devices. The Act does not say whether the remuneration shall be one-off or temporary, what means a right to select a relevant benefit for the owner.

All of the temporarily acquired properties shall be restored to the previous status.

## 8.4 VALUATION PRINCIPLES<sup>5</sup>

The owner or holder of perpetual leasehold rights of a real property or its part, which is a part of a flood protection investment and is necessary for the Works Contract implementation, is entitled to compensation for the transfer of ownership of the real property to the State Treasury or a local government entity.

OP 4.12 expects that in all cases compensation must meet the principle of a replacement value which means the market value of the land and related assets (e.g. crops) 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 property appraiser and another team of property appraisers (e.g. agricultural property appraiser) as required.

According to OP 4.12, with regard to real properties and facilities, “replacement value” is defined as follows:

- a) for agricultural lands, it is the pre-Project or pre-displacement (whichever is higher) market value corresponding to the market value of a land with a comparable productive potential or use located in the vicinity of the land acquired for the Contract, plus the cost of preparing the land for the functions similar to those of the land acquired for the Contract, plus transaction costs;
- b) for real properties in urban areas, it is the pre-displacement market value corresponding to the value of a land with a comparable size and use, with similar or improved access to public infrastructure facilities and services and located in the vicinity of the acquired real property, plus transaction costs;
- c) for houses and other facilities, it is the market value of the materials to be built in new houses and facilities replacing the project affected houses and facilities, with the amount and quality similar to or better than those of the expropriated or partially Project affected houses and facilities, plus: the costs of transporting the materials to the construction site, construction employee remunerations, transaction costs, fees and taxes related to the implementation of the new facilities.

The real properties expropriated for the purposes of Contract implementation shall be governed by the principles indicated above in letters a) and b). In case of two objects (metal-sheet garages) to be demolished provision determined above under letter c) may be applied.

The site visit done allowed for stating that the metal-sheet garages in question are in bad technical condition and look as they are not being used. Information obtained from inhabitants of neighboring structures proves that the garages were constructed over 20 years ago and were applied by Przedsiębiorstwo Budownictwa Wodno-Inżynieryjnego [Water-Civil Engineering Company] in Cracow. It is not known if they are used at the moment, although probably some items are stored in one of them. Both of the garages are secured with padlocks, and their condition proves that they have not been applied for a long time. While performing actions associated with identifying owners of the garages and legitimacy of their development, it was identified that one of them is still being used by a former employee of Przedsiębiorstwo Budownictwa Wodno-Inżynieryjnego in Cracow, who obliged himself to empty the garage. In case of the other one it was not possible to identify, if it is now being

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<sup>5</sup> Contents of the chapter compliant with the LARPF.

used, and – if yes – by whom. It was also not possible to find documents proving legitimacy of their development. In case of the garage with unidentified application and potential user, further actions shall be undertaken to identify its formal and legal situation. A request for contacting the Investor or its representative shall be placed on the garage to identify the way of emptying and payment of compensation for assets to be liquidated. In case no one applied within the deadline, prior to the construction works associated with the demolition of the garage, it shall be opened by a committee, and a memo shall be developed upon that occasion. An independent Valuer shall estimate the value of the garage, including assets located in it, and subsequently – depending on the type of assets located in the garage – it shall be transferred to the court deposit or an equal payment shall be deposited in the court or on a bank account. According to OP 4.12, in determining the replacement value, depreciation of the asset and shall not be taken into account, nor is the value of benefits to be derived from the Project, deducted from the valuation of a Project affected asset.

Therefore, where Polish law does not provide for the necessity of compensation at a replacement value, according to the standard required under OP 4.12, compensation is supplemented by additional measures so as to meet the replacement value standard, if needed.

The compensation is vested in the amount agreed between the Investor and the former owner, perpetual user or a person, who has a limited real right to the property, from the State Treasury or a unit of local authorities, respectively.

The amount of compensation set out on the day of issuing the IPIP is subject to indexation as of the payment date, according to the rules valid in case of returning the expropriated properties.

NOTE:

The valuation methods are defined by a legal act in the form of a regulation: the Regulation of the Council of Ministers of September 21, 2004 on real property valuation and appraisal study preparation (Journal of Laws No. 207, item 2109, as amended). This act contains details concerning methods and techniques of estimating the amount of compensation.

#### **8.4.1 Real property valuation<sup>6</sup>**

According to Polish regulations, the market value of real property is a basis for establishing the compensation value. While ascertaining the real property market value, the following factors in particular are taken into consideration: type, location, manner of use and purpose, existing technical infrastructure, overall condition and current market prices. The real property market value is determined based on its current manner of use if the real property purpose compliant with the Contract objective does not increase the real property value. If the data from the local or regional real property market allow the valuer to ascertain the real property market value, they shall apply one of the market approaches, i.e. the sales comparison approach, the income capitalization approach or the combined approach. Should the real property purpose in accordance with the expropriation purpose increase the real property value, its market value shall be ascertained according to the alternative use resulting from that new purpose. If the data from the local or regional real property market do not allow the valuer to ascertain the real property market value, they shall ascertain the replacement value of the real property based on the cost approach.

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<sup>6</sup> Contents of the chapter compliant with the LARPF.

If the previous owner or perpetual user of the property under IPIP would hand this property over or would hand the property over and empty the building and other rooms not later than 30 days from the day of:

- delivery of the notice of issuing of the IPIP decision,
- delivery of decision to order immediate enforceability on the IPIP decision,
- the date on which the IPIP decision became final,

the amount of compensation shall be increased by the amount equal to 5% of the property value or value of perpetual usufruct right, based upon rules determined in the Special Flood Act.

#### **8.4.2 Evaluation of objects not permanently connected to the property**

Compensation for objects, which are not permanently connected to the property, shall refer to a situation, when:

- a) they are not fit for use in a new location, and/or
- b) the project affected person would not use them due to resettlement (e.g. moving from farmland to the city).

No objects permanently connected to the property, which would not be fit for use in a new location or would be disabled due to the implemented expropriation, were currently identified.

#### **8.4.3 Valuation of plantings and crops<sup>7</sup>**

The valuation of tree stand or tree cover, if the tree stand includes usable resources, shall 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.

Valuation of fields of perennial plants involves the estimation of the costs of establishing the field and its maintenance until the first yield as well as lost profit in the period from the date 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. In 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.

The valuation of crops, cultivations and other yields of annual plants involves the estimation of the expected yield according to the current market prices, reduced by the value of necessary expenditures related to the collection of the yields.

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<sup>7</sup> Contents of the chapter compliant with the LARPF.

#### 8.4.4 Evaluation of the remaining elements of assets

The remaining elements of assets associated with the property are civil fruits, i.e. revenue generated by the property based upon a legal relation. In order to determine the value of liabilities (including right of lease, tenancy, lending for use, life usufruct) and the impact of that right on the property, the valuer may especially consider such elements as e.g.:

- Type, specificity, range, and duration of the agreement,
- Relevant provisions of law,
- Payment form,
- Type and amount of other benefits,
- Method and time of transferring rent and other benefits,
- Liabilities and rights resulting from liability rights and from concluded agreements,
- Claims of the parties associated with accounting of expenses borne for the properties, and
- Available data on the estimated property and on the separated type and area of a market comprising the liability rights.



## 9 Eligibility Criteria and Catalogue of Beneficiaries

### 9.1 ELIGIBILITY CRITERIA<sup>8</sup>

According to the policy of the World Bank, the following groups of people are eligible for compensation and assistance in connection with real property acquisition resulting in loss of assets and (physical or economic) displacement:

- (a) those who have a formal legal title to the land or other project affected assets (including customary and traditional rights);
- (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) those who have no legal title or claim to the real property they are acquiring.

Persons included in paragraph (a) or (b) above should receive compensation for the land they lose, as well as other assistance. Persons included in paragraph (c) should be provided with resettlement assistance in lieu of compensation for the land they acquire, as well as other assistance, as necessary, to achieve the objectives of OP 4.12, if they acquire the Contract implementation area prior to the 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) and (c) are provided with compensation for loss of assets other than land.

Thus, the lack of a legal title to the real property as such should not preclude the eligibility for compensation or other assistance offered in connection with involuntary acquisition of the real property.

It shall be underlined that in this case there is no group of people accounted as a group without a legal title to the ground.

The manner of estimating the impact on the PAP was described in chapter 6.1 Social Impact.

### 9.2 CATALOGUE OF BENEFICIARIES<sup>9</sup>

The following groups of people are entitled to receive compensation based upon this LA&RAP:

- PAP with ownership or perpetual usufruct title to the properties within the Project area,
- PAP being lessees, tenants, life estate holders and other dependent possessors of real property in the Project area,
- PAP being possessors of limited property rights in real property,
- owners of cultivations, plants, structures and other constructions related to the land, who are not owners or perpetual usufructuaries of land;
- residents of houses and flats, who would need to be resettled,
- PAP who lose their revenue, salaries/wages or ability to run business activity in relation to Project implementation,

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<sup>8</sup> Contents of the chapter compliant with the LARPF.

<sup>9</sup> Chapter compliant with the LARPF.

- PAP being illegal possessors of real property in the Project area who have no legal title and no expectancy right to obtain a legal title.

After performing the socio-economic survey the following groups of people entitled to compensation were identified:

- PAP being owners or holders of perpetual usufruct title to the properties within the Contract implementation area (in reference to permanent acquisition and to permanent restrictions).
- owners of cultivations, plants, structures and other constructions related to the land, who are not owners or perpetual usufructuaries of land;

The PAPs having legal title to the properties in the Project area shall receive full compensation.

The following categories of people entitled to receive compensation and supports have not been identified:

- PAP being lessees, tenants, life estate holders and other dependent possessors of real property in the Project area,
- PAP being possessors of limited property rights in real property,
- residents of houses and flats, who would need to be resettled,
- PAP who lose their revenue, salaries/wages or ability to run business activity in relation to Project implementation,
- PAP being illegal possessors of real property in the Project area who have no legal title and no expectancy right to obtain a legal title.

PAPs shall be entitled to receive compensation for the following categories of impact/losses:

- **Permanent loss of property** – (3 properties owned by the State Treasury under perpetual usufruct by private persons) the PAPs did not inform their will to receive compensation in the „land-for-land” form. Furthermore, only a minor part of the plot is to be acquired; therefore, the compensation shall be paid in cash and shall correspond with the market value of the expropriated property or its part. In addition, for an immediate release of the real property it shall be possible to increase the compensation by an amount corresponding to 5% of the value of the expropriated real property under the terms of the Special Flood Act. PAP not being owners or holders of perpetual leasehold rights, but having a legal title to the property (e.g. lessees, tenants) shall receive compensation corresponding to the value of the expropriated rights. On the request of the PAP, the Investor may take over the entire real property and compensate for the acquisition of that real property according to the abovementioned principles. Any and all transaction costs, including taxes related to the granting of compensation for expropriation, shall be covered by the Investor. PAP being illegal possessors of real property in the Contract area (having no legal title) shall receive no compensation for the expropriation from the real property, as that is not possible. However, those persons shall receive compensation for plants, plantings and constructions owned by them and, if necessary, a package of protective measures to restore or improve their quality of life;
- **Permanent restriction in the current use of the property** - (5 properties, including 3 properties remaining properties of private persons and 2 properties remaining properties

of the State Treasury under perpetual usufruct by private persons) as a rule, shall be compensated in cash, taking into account the loss of market value of the property. Depending on the case, specially selected protective measures shall also be proposed. At the request of PAPs, the property on which a permanent restriction in existing use will be imposed may be purchased based upon the rules described under Clause 8.2.2.

- **Non-residential buildings and structures (2 garages, fences, technical infrastructure etc.)** – as a rule, owners and users of these buildings and structures are compensated for the loss of the real property. Within the framework of protective measures, the Investor shall propose reconstruction of infrastructure networks and, where appropriate, of structures and buildings at the Investor's expense. Additionally, in case of the local authorities, which have developed or are developing the affected objects or structures using European Union's resources or other foreign sources, the cash compensation shall be increased by an amount to be redeemed from resources coming from funding, including due interest;
- **Loss of plantings** shall be compensated to legal owners of the properties in cash, taking into account the costs of planting and caring for the plantings and the value of the lost benefits between the expropriation date and the end of the complete harvest.
- **Loss of tree stands** shall be compensated as in case of the loss of plantings. Depending on the compensation type, it may also be done according to the value estimation for wood, which may be obtained;
- **Impact on entrepreneurs and employment** shall be compensated in cash through compensation of factual damage to the entrepreneurs and of profits lost due to implementation of the Works Contract. A basis for determining those values shall be accounting documents and – potentially – earnings reports of the entrepreneurs. In case the employees lose their jobs, they shall receive an unemployment benefit. In case of losing the earning possibility, both: the employees, as well as persons working based upon civil-law agreements shall receive free-of-charge health care, support in finding a job, and – potentially – support in the form of professional trainings allowing them for retraining for the purpose of finding a job;
- **Temporary real property acquisition** determined in the IPIP decision shall be compensated in cash through the payment by the Investor of monthly amounts corresponding to market prices of tenancy or lease of the real property. Moreover, if the PAP incur a loss due to the temporary real property acquisition, the loss shall be compensated separately according to the abovementioned principles. After the completion of construction activities, all real properties shall be restored to their original state. Remaining temporary acquisition, not determined in the IPIP but necessary (if the Contractor deems so) to the Contractor for implementation of the technological process, shall be implemented by the Contractor based upon a civil agreement concluded with the providing party;
- **Damage to houses, buildings and structures due to construction works (e.g. vibration, accidents, etc.)** shall 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. Depending on the situation, appropriate rules of compensation payment for the above impacts shall be applied.

A detailed catalogue of people entitled to compensation is included in Appendix no. 2 to this LA&RAP.

### 9.3 ELIGIBILITY MATRIX<sup>10</sup>

Impact / damages	Determination of PAP	Compensation
Permanent loss of land	Owners, perpetual usufruct holders, autonomous holders of properties	<ul style="list-style-type: none"> <li>• “Land for land” compensation,</li> <li>• If “land for land” compensation is not feasible or not wanted then cash compensation (<i>the value of compensation/indemnification necessary to obtain replacement cost for lost assets</i>),</li> <li>• Coverage for all transactional costs</li> </ul>
	Illegal possessors	<ul style="list-style-type: none"> <li>• No compensation for loss of properties</li> </ul>
	Holders of easement, mortgage, lien upon properties	<ul style="list-style-type: none"> <li>• Cash compensation for loss of right (e.g. easement or mortgage established on the property),</li> <li>• For land easement holders – support in finding a solution allowing for using their property (holding the expropriated property), for example in establishing another right of way.</li> <li>• Coverage for all transactional costs</li> </ul>
	Illegal easement holders	<ul style="list-style-type: none"> <li>• For illegal easement holders - support in finding a solution allowing for using their property (holding the expropriated property).</li> </ul>
Permanent and temporary restriction in the use of properties	Owners, perpetual usufruct holders, autonomous holders of properties	<ul style="list-style-type: none"> <li>• Cash compensation for losses caused by the restriction</li> <li>• Coverage for transactional costs,</li> <li>• Proposing an institutional support and advising in the scope of possibilities of other use for properties</li> </ul>
	Illegal possessors	<ul style="list-style-type: none"> <li>• Proposing an institutional support and advising in the scope of possibilities of other use for properties</li> </ul>
	Illegal easement holders	<ul style="list-style-type: none"> <li>• Support in finding a solution allowing for using their property (holding the expropriated property).</li> </ul>

<sup>10</sup> Chapter compliant with the LARPF.

Impact / damages	Determination of PAP	Compensation
Non-residential buildings and structures (fences, technical infrastructure, etc.)	Owners, perpetual usufruct holders, autonomous holders of buildings and structures	<ul style="list-style-type: none"> <li>• cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets)</li> <li>• transfer or reconstruction of lost assets.</li> </ul>
	Users	<ul style="list-style-type: none"> <li>• cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets)</li> <li>• transfer or reconstruction of lost assets.</li> </ul>
	Illegal possessors of buildings and structures	<ul style="list-style-type: none"> <li>• cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets),</li> <li>• transfer or reconstruction of lost assets.</li> </ul>
	Lessees, tenants of buildings and structures	<ul style="list-style-type: none"> <li>• cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets),</li> <li>• transfer or reconstruction of lost assets.</li> </ul>
Loss of plantings and trees <sup>11</sup>	Owners, perpetual usufruct holders, autonomous holders of properties	<ul style="list-style-type: none"> <li>• Cash compensation, including costs for arranging and curing of trees and for lost crops,</li> <li>• Allowing for harvest</li> </ul>
	Users	<ul style="list-style-type: none"> <li>• Cash compensation, including costs for arranging and curing of trees and for lost crops,</li> <li>• Allowing for harvest</li> </ul>
	Lessees, tenants	<ul style="list-style-type: none"> <li>• Cash compensation, including costs for arranging and curing of trees and for lost crops,</li> <li>• Allowing for harvest</li> </ul>

<sup>11</sup> In the case of PGL State Forests, tree felling will be carried out in accordance with art. 28 of Special Flood Act.

Impact / damages	Determination of PAP	Compensation
	Illegal possessors	<ul style="list-style-type: none"> <li>Allowing for harvest</li> </ul>
Commune Assets	Commune	<ul style="list-style-type: none"> <li>Reconstruction or replacement of the lost structure in consultation with communes.</li> </ul>
Temporary acquisition of properties (actions to be done by the Contractor)	Owners, perpetual users, autonomous possessors of properties	<ul style="list-style-type: none"> <li>Cash compensation or other form agreed with the authorized party,</li> <li>Reinstate the property to its previous status or to the condition indicated in the agreement.</li> </ul>
	Illegal possessors of properties	<ul style="list-style-type: none"> <li>Reinstate the property to its previous status or to the condition indicated in the agreement.</li> </ul>
	Leaseholders, users of properties	<ul style="list-style-type: none"> <li>Cash compensation or other form agreed with the authorized party,</li> <li>Reinstate the property to its previous status or to the condition indicated in the agreement.</li> </ul>

Details concerning the eligibility of people entitled to compensation are included in Appendix no. 2 to this LA&RAP. However, that appendix cannot be published due to the protection of personal data.

## 10 Public consultations and public participation

In relation to obtaining a loan from the World Bank's funds and the necessity of implementing the resettlement process principles stemming from the requirements of OP 4.12, the Investor has taken actions aiming at engaging the society in LA&RAP development and implementation. Society engagement is treated as a continuous process, correct implementation of which is anticipated to enable mitigation of risks related to a potential social conflict for the Contract.

So far, the local commune was informed about the planned Contract by notices, posted on the website of the Regional Director for Environmental Protection in Cracow at the stage of issuing the Decision on Environmental Conditions.

At a later stage of preparatory work, PAP will be informed in announcements published at the website of the Małopolski Province Office and – as commonly adopted – on publicly accessible notice boards at the implementation site about the following:

- Submission of an application on the issuance of IPIP,
- Issuance of the IPIP.

Furthermore, the PAPs shall be informed about the aforementioned events in registered mail.

The PAPs shall be provided by units performing the proceeding with additional information on the possibility of acknowledging the documentation and of stating their remarks and filing their motions prior to the issuance of the decision on environmental conditions and prior to the issuance of IPIP. Moreover, the PAPs shall be informed about the possibility and the method of filing an appeal against those decisions.

The Investor shall inform the PAPs about submission of application on the issuance of IPIP and about the issuance of IPIP in registered mail, regardless of information provided by the Governor of Malopolska Region. In connection with the submission of an application for an IPIP decision for the Contract planned for November 2020, the Consultant sent registered letters to PAP informing about the matter on 8 October 2020.

On 09/02/2019 the Consultant informed private owners of the acquired properties in writing about the planned socio-economic survey to be conducted in September. In its correspondence, the Consultant explained the validity of the planned survey, main objective of which was to determine the impact of the planned Contract on the quality of life of households of the expropriated properties' owners.

During the socio-economic survey the PAPs were provided with information on the planned Contract/Works Contract and on rules and rights related to the purchase of the properties.

Transferring information between the Investor and the stakeholders is the basis for ensuring effective consultation and social involvement in the Project, therefore the Investor first took steps to identify the stakeholders.

Table 3. Initial identification of stakeholders participating in public consultations, units affecting the development and implementation of LA&RAP.

External stakeholder	Type of impact on LA&RAP	Engagement Period
Competent Minister (as at the date of the final version LA&RAP preparation, the Ministry of Economic Development, Labour and Technology)	<ol style="list-style-type: none"> <li>1. Consideration of the appeal against IPIP</li> <li>2. Consideration of the appeal against the decision establishing compensation amounts</li> </ol>	<ol style="list-style-type: none"> <li>1. After the issuance of IPIP decision, in case of withdrawal.</li> <li>2. After the issuance of decision on the compensation amount, in case of withdrawal.</li> </ol>
Regional Director for Environmental Protection in Cracow	<ol style="list-style-type: none"> <li>1. Issuance of the Decision on Environmental Conditions</li> <li>2. Issuance a decision on permission to derogate from the prohibitions in the field of the protection of plants, animals and fungi</li> </ol>	<ol style="list-style-type: none"> <li>1. Decision on Environmental Conditions issued on: 02/28/2020</li> <li>2. Decision on permission to derogate issued on: 07/02/2020</li> </ol>
Ministry of Maritime Economy and Inland Navigation	<ol style="list-style-type: none"> <li>1. Issuance of the water-law permit</li> </ol>	Planned for: 04/23/2020 – 11/30/2020 - planned water-law permit issuance in progress
Governor of Malopolska Region	<ol style="list-style-type: none"> <li>1. Issuance of IPIP</li> <li>2. Issuance of the decision establishing compensation amounts</li> </ol>	<ol style="list-style-type: none"> <li>1. Planned submission of an application on the issuance of IPIP – 11/2020</li> <li>2. On the stage of issuing a decision on the amount of compensation, and after the decision on the amount of compensation has been issued, in the event of appeal and reconsideration of the application.</li> </ol>
Mayor of Cracow	<ol style="list-style-type: none"> <li>1. Support in identification of local society's needs</li> <li>2. Direct participation in public consultations</li> </ol>	<ol style="list-style-type: none"> <li>1. On the stage of IPIP development.</li> <li>2. During consultations on the Draft LA&amp;RAP.</li> </ol>
Prefect of Cracow	<ol style="list-style-type: none"> <li>1. Support in identification of local society's needs</li> <li>2. Direct participation in public consultations</li> </ol>	<ol style="list-style-type: none"> <li>1. On the stage of IPIP development.</li> <li>2. During consultations on the Draft LA&amp;RAP.</li> </ol>
City Council of Cracow	<ol style="list-style-type: none"> <li>1. Informing PAPs on public consultations</li> <li>2. Direct participation in public consultations</li> </ol>	<ol style="list-style-type: none"> <li>1. On the stage of IPIP development.</li> <li>2. During consultations on the Draft LA&amp;RAP.</li> </ol>
Units to be expropriated	<ol style="list-style-type: none"> <li>1. Determination of needs and of damage suffered due to the planned expropriation</li> <li>2. Selection of indemnity and compensation forms</li> <li>3. Direct participation in public consultations</li> <li>4. Participation in an inventory</li> </ol>	<ol style="list-style-type: none"> <li>1. At proceeding of the IPIP, its issuance and making establishments on the compensation amount.</li> <li>2. On the stage of IPIP development.</li> <li>3. During consultations on the Draft LA&amp;RAP.</li> </ol>
Citizens of Cracow	<ol style="list-style-type: none"> <li>1. Direct participation in public consultations</li> </ol>	<ol style="list-style-type: none"> <li>1. On the stage of IPIP development.</li> <li>2. During consultations on the Draft LA&amp;RAP.</li> </ol>



The process of informing the Stakeholders indicated in Table 3 is carried out according to the following scheme:

- Informing local authorities, community leaders and local community organizations about the Project's plans at the earliest possible stage with requests for further sharing of this information,
- Presentation of institutions, project managers and people who are in constant contact with the community within the range of the expected impact of the project and mitigation measures,
- Development and provision of information on the rules for purchasing real estate for the purposes of investment implementation, rules for determining and paying compensation for expropriated real estate and about the possibility of submitting complaints, comments and motions in connection with the planned investment implementation,
- Development and regular publication of updated information about the Project

### **Public Consultation of the LA&RAP Draft**

After completing the works on the Draft LA&RAP and obtaining the acceptance of the World Bank, the publication procedure shall commence, this document was a subject of public consultation meeting requirements of the World Bank's operational policies (OP 4.12). The aim of the public consultations was to allow for acknowledging contents of that document to natural persons, institutions, and all other interested parties, as well as to secure the possibility of filing remarks, claims, enquiries, and motions referring to its contents.

The publication of the Draft Land Acquisition and Resettlement Action Plan was commenced on **August 27, 2020**, at publication of an announcement in Gazeta Krakowska (local magazine). The announcement invited natural persons, the authorities, and interested institutions to review the Draft LA&RAP for the Contract 3A.4.

As informed in the announcement (quote): (...) **DUE TO THE EPIDEMIC STATE IN POLAND AND CARE FOR THE PAPS' HEALTH, A NON-STANDARD FORMULA OF PUBLIC CONSULTATIONS FOR THE DRAFT LA&RAP SHALL BE APPLIED. NO OPENING MEETING WILL BE TAKEN FOR ALL INTERESTED PARTIES, BUT THE CONSULTATIONS IN QUESTION SHALL BE DONE IN A CORRESPONDENCE FORMULA, WHILE USING AVAILABLE (SAFE) COMMUNICATION CHANNELS** (...)

The draft LA&RAP is made available on the following websites:

- SWH Polish Waters RZGW in Cracow at <https://krakow.wody.gov.pl/aktualnosci/>,
- City Office of Cracow at – <https://www.bip.krakow.pl/>,
- Odra-Vistula Flood Management Project Coordination Unit at – <http://odrapcu2019.odrapcu.pl/ogloszenia/>.

Each interested party may submit remarks and motions referring to the DRAFT LAND ACQUISITION AND RESETTLEMENT ACTION PLAN in writing (i.e. by post) to the address of the PIU in Cracow:

**State Water Holding Polish Waters**

**Regional Water Management Authority in Cracow**

**22 Marszałka J. Piłsudskiego Street**

**31-109 Cracow**

or in electronic form by mail to:

**[jrp.krakow@wody.gov.pl](mailto:jrp.krakow@wody.gov.pl)**

and by phone at numbers:

**505 028 137, 601 824 298** (on working days from 9:00 a.m. to 5:00 p.m.)

From **08/27/2020 to 09/17/2020** inclusive (21 days).

The institution competent to examine the comments and motions was the SWH POLISH WATERS RZGW in Cracow.

Except for publishing the announcement in press as informed above (Gazeta Krakowska – local magazine), it has also been placed on information boards at:

- SWH POLISH WATERS RZGW in Cracow,
- City Office of Cracow,

as well as published at websites of those institutions, and at performance sites.

Posters informing about the Works Contract 3A.4 were additionally placed – except for the announcement – at performance sites.

Simultaneously, every owner of properties subject to acquisitions was provided – at the place of residence

/ correspondence address given in the register of land and buildings – by a Polish Post, priority registered mail with e-mail confirmation, with information packet concerning the Draft LA&RAP, which comprised the following:

1. Cover letter;
2. Announcement on the consultations;
3. Questionnaire for provision of opinions and enquiries;
4. Information brochure;
5. Presentation on the Project and on the Draft LA&RAP.

An example set of documents has been attached to this Report (Appendix no. 7 to LA&RAP).

Publication of the Draft LA&RAP, commenced officially on **August 27, 2020**, was completed after 21 days on **September 17, 2020**.

A webinar was held on September 18, 2020 from 5.00 p.m. to 7.00 p.m., during which Consultant Representative gave a multimedia presentation:

1. The purpose and funding for the OVFMP was briefly discussed.
2. It was explained why the draft LA&RAP was developed and what the procedure for making it public was.
3. Information on Works Contract 3A.4 (physical scope, area protected from flooding due to the execution of the Contract in question) was presented.
4. Information was provided on the number of properties subject to permanent occupation and restrictions on use by property category.
5. Legal basis for implementation of the LA&RAP was indicated.
6. Minimizing measures were discussed, with particular emphasis on the issue of purchasing the remnants, EU subsidies and informing the ARMA, the payment of 5% bonus.
7. Most attention was paid to legal regulations concerning the procedure of issuing the IPIP decision, payment of compensations, compensation agreement procedures, submission of appeals and conc. redress and grievance mechanism.
8. The participants of the meeting were informed about the possibility of receiving an indisputable part of the compensation despite a possible appeal against the Governor's decision determining the amount of compensation or payment of 70% of the compensation.
9. Information on temporary acquisition was presented.

During the webinar, no questions were submitted to the presented content.

The webinar was attended by 8 people (some of them participated anonymously).

During the consultations, no questions regarding the RAP draft were submitted. In the case of RAP for Contract 3A.4, there is only one natural person (perpetual usufructuary) who, during the socioeconomic research, was already interested in the issues of payment of compensation and rights of the party during the administrative procedure and was then provided with very extensive explanations in this regard. This person has a contact with the Consultant and, as indicated, will be contacted when the IPIP decision is issued. In addition, telephone conversations were conducted with a representative of one of the companies that is PAP for this Contract. During the conversation, the compensation payment procedure was explained and information about the investment was provided.

A meeting Report was developed, which was submitted to the World Bank. This Report is an Appendix no. 7 to the LA&RAP.

The final LA&RAP – after obtaining the WB's "no objection" clause - shall be available for the interested parties, i.e. published at a website until completion of the Contract. Any updates of the LA&RAP shall also be available for the interested parties at websites of the PIU and the PCU.

## **10.1 NEGOTIATIONS**

Negotiations with the PAPs shall be done individually with a given PAP, depending on the type of impact on the household. All of the interested people have a right to participate in negotiations on an

equal basis. The fields of negotiations shall depend on the type of affected assets, what would allow for satisfying the needs of every PAP in reference to the effects for the given PAP, i.e.:

- Loss of land,
- Loss of structures located at the property,
- Loss of redevelopment of facilities,
- Management restriction for the property,
- Other elements (e.g. necessary establishment of utility easement).

Due to the type of impact, in case of the Contract in questions the negotiations shall mainly refer to the period of acquisition and to the amount of due compensation. The remaining fields shall undergo negotiations related to a given case.

During the negotiations the Investor shall – on an ongoing basis – provide the PAPs with complex clarifications and information in order to guarantee that the establishments and the agreements made are clear for all of the affected parties. The negotiation process shall be non-discriminatory and shall consider issues of equal treatment.

Reservations made by the parties at the negotiation stage shall be archived in notes and memos referring to those negotiations.

In case of establishing an individual compensation packet covering other compensation measures than cash compensation, it shall be established in an agreement concluded with the PAP.

## 11 The Complaint Management Mechanism

A principle was assumed in this LA&RAP that the Investor will take all measures to amicably resolve complaints concerning the Contract (including those submitted during the design works). The Complaint management mechanism is diverse in order to integrate it into the administrative procedures of the various stages of Contract preparation.

### 11.1 THE GENERAL COMPLAINT AND MOTION MANAGEMENT MECHANISM

The general complaint and motion management mechanism shall be applied to the following complaints and motions:

- a) those submitted during the social consultations concerning this LA&RAP draft,
- b) submitted prior to the Investor's request for the IPIP,
- c) submitted in the course of IPIP proceedings or a decision determining the amount of compensation directly to the Investor,
- d) those submitted after issuing the IPIP and/or the decision determining the amount of compensation for the expropriated real property,
- e) submitted during the design works,
- f) filed directly to PIO, PCU, PGW WP or other entity acting on behalf of the PAPs.

Concerning this mechanism, the primary principle adopted by the Investor is giving everyone the right to submit a complaint or motion concerning the Contract regardless of the fact if their real property, rights or assets are situated in the area intended for Contract implementation or not.

Submitting complaints or motions is not subject to fees. Furthermore, the person filing a complaint or motion may not be exposed to any damage or allegation on account of such submission.

Complaints and motions may be submitted in written, electronic and oral form to the minutes. They may be submitted directly to the headquarters of:

PGW WP RZGW in Cracow, mailed to the address (22. Marsz. Józefa Piłsudskiego Street, 31-109 Cracow)

or via e-mail to: [jrp.krakow@wody.gov.pl](mailto:jrp.krakow@wody.gov.pl).

Complaints and motions shall be archived by the PIO in a separate register, with the dates of their submission, dates of providing answers and the method of resolving.

The complaint or motion will be reviewed immediately, which means that an official notice of how the complaint or request will be handled must be given to the party without undue delay. Such a notice shall include the identification of the entity from which it originates, an indication of how the complaint has been handled and a signature stating the name, surname and official position of the person authorized to handle the complaint or motion.

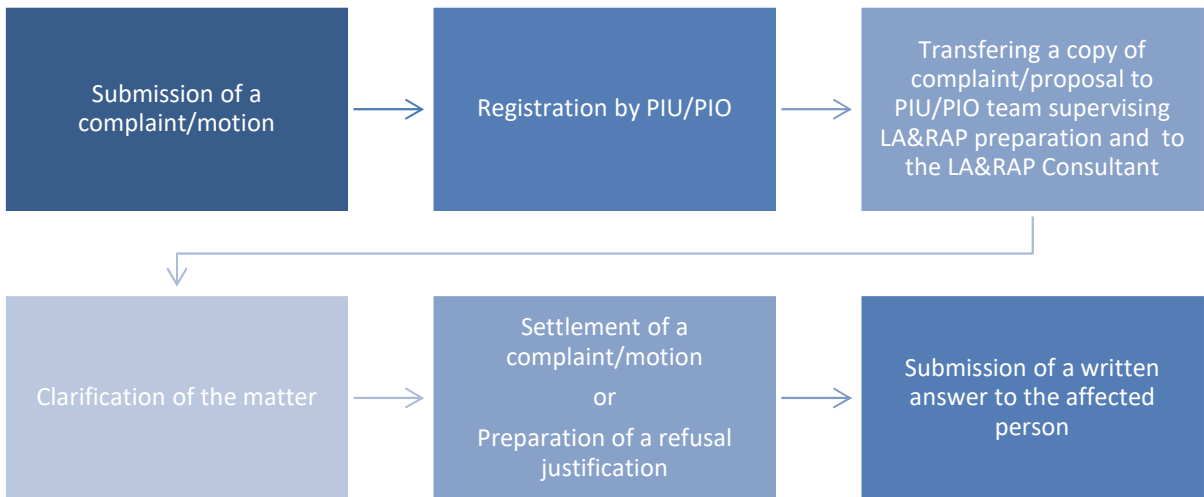
In particularly complex cases as well as in cases where the examination of the complaint or motion requires introducing changes to the LA&RAP, the term allowed for answering a complaint or motion shall be extended to 30 days. If this term is too short, the party shall be notified of the cause for not

receiving a subject matter answer to the party’s complaint/motion on time; the term of providing such an answer shall also be stated.

In the case of a refusal to settle a complaint, the person submitting the complaint or motion shall be informed in an exhaustive manner about the causes for the refusal.

A diagram of the general complaint and motion management mechanism is presented below:

Figure 7 – Scheme of general mechanism for management of complaints and motions



11.2 SPECIAL COMPLAINT AND MOTION MANAGEMENT MECHANISMS

Special complaint and motion management mechanisms are directly connected with the IPIP issue proceedings as well as the determination of compensation for the lost right to the real property and related assets (e.g. civil profits, appurtenance or devices and machines unfit for use in a different location).

They shall be applied during IPIP issuance proceeding, negotiations on compensation after the issuance of IPIP, in a proceeding on the issuance of a decision establishing the compensation amount by the Governor of Malopolska Region and in appealing and court proceeding on the IPIP and on the compensation amount.

Persons whose property is within the contract implementation area shall be parties to the IPIP issuance proceedings. They have the right to participate actively, free of charge, in the proceedings concerning the issuance of the IPIP, including the right to submit comments and motions directly to the Governor of Malopolska Region. It should be noted that comments and motions submitted in the proceedings do not always require a response from the Investor. In the event that such a response is required, the Investor will immediately take a position on the matter and forward it to the Governor of Malopolska Region. The Investor's replies will be delivered to the parties by the Governor of Malopolska Region.

If the parties are not satisfied with the decision issued by the Governor, they will be entitled to lodge an appeal with the competent Minister (as at the date of the final version LA&RAP preparation, the

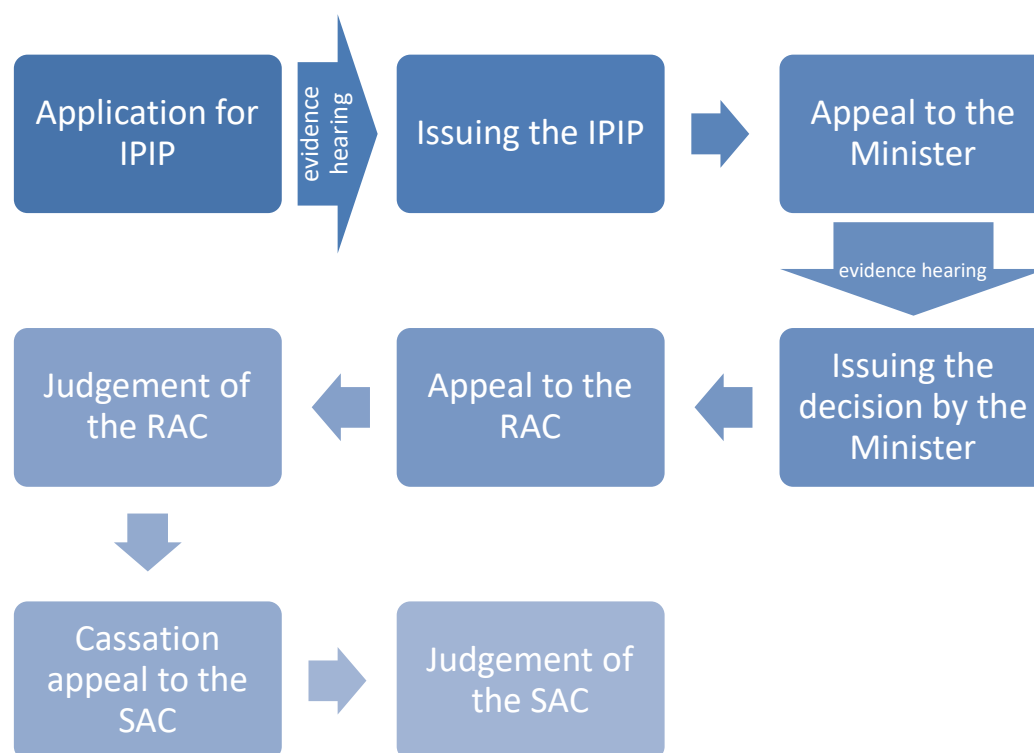


Ministry of Economic Development, Labour and Technology) within the period specified in this decision. All statements, motions and evidence submitted in the proceedings before the minister will have to be admitted by the minister and considered when issuing the decision.

If the party would not be satisfied with settlements of the Minister, it may file a claim to the Regional Administrative Court in Cracow. The court shall verify, if the Governor and the Minister properly and reliably implemented the proceeding, including remarks, motions and evidence provided by the proceeding parties. In conformity with valid regulations the complaint is subject to a court fee of PLN 500. Furthermore, the losing party is obliged to pay the court proceeding cost to the other party.

In case the RAC decision would not satisfy the party, it has a right to submit a cassation appeal to the Supreme Administrative Court. That court shall verify not only the properness and legitimacy of the proceeding completed by the Governor and by the Minister, but also the RAC sentence. The cassation appeal is subject to fee of PLN 250. Furthermore, the losing party is obliged to pay the court proceeding cost to the other party.

Figure 8 - Complaint management mechanism at the IPIP stage



Once a final IPIP is obtained, negotiations will be held with persons who have lost their right to a property or asset (e.g. civil benefits, affiliations or equipment and machines that are not suitable for use in the new location), at the initiative of the Investor on the amount of compensation and the acquisition of the property. The objections raised by the Parties during the negotiation stage will be archived in the minutes of the negotiation meetings.

For properties expropriated on the basis of the IPIP, protocols and other documents sent to each other by the parties during negotiations, will be transferred to the Governor of Malopolska Region unless an

agreement on compensation is reached. These documents, in addition to the valuation report, will constitute the basis for the decision on the amount of compensation.

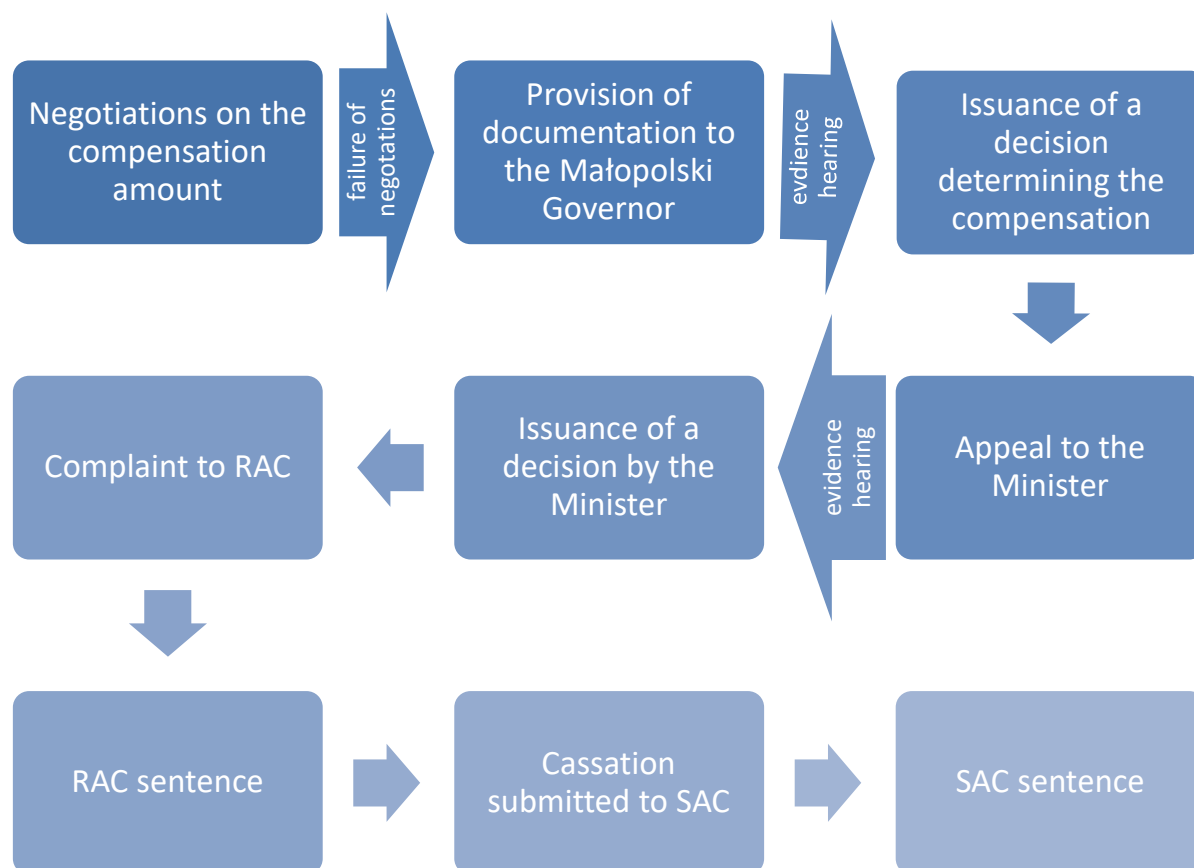
PAPs' rights in the proceedings concerning the issue of the decision determining the amount of compensation are analogous to those in the IPIP proceedings. It means that the PAPs have the right to actively participate in those proceedings free of charge, submit remarks and motions, appeal against the decision issued by the Governor, and submit a complaint about the appeal decision issued by the competent Minister to the relevant Regional Administrative Court (on the dates indicated in the decisions) and then - to the SAC. However, unlike in the proceedings concerning the IPIP issue, a complaint to the RAC about the decision determining the amount of compensation is subject to a proportional court fee which depends on the due amount of money covered by the decision which is appealed against and equals:

1. up to PLN 10,000 – 4% of the complaint subject value, but no less than PLN 100;
2. over PLN 10,000 up to PLN 50,000 – 3% of the complaint subject value, but no less than PLN 400;
3. over PLN 50,000 up to PLN 100,000 – 2 % of the complaint subject value, but no less than PLN 1.500;
4. over PLN 100,000 – 1% of the complaint subject value, but no less than PLN 2,000 and no more than PLN 100,000.

The court fee for cassation to the SAC equals a half of the court fee for the complaint to the RAC, but no less than PLN 100.

If PAP is not able to bear the cost of the trial, he/she is entitled to submit an application on releasing for the obligation of bearing the court fees.

**Figure 9 – The complaint management mechanism at the stage of issuing a decision determining the compensation amount (after issuance of IPIP and its final status)**



### **11.3 THE SUBMISSION MECHANISM FOR CLAIM AND MOTIONS CONCERNING IMPLEMENTATION OF THE WORKS CONTRACT**

The mechanism of submitting complaints and motions concerning the construction and assembly works conducted by the Contractor shall be implemented at the beginning of the whole process and shall be binding throughout the entire period of implementation, functioning and closure of the Contract.

#### **11.3.1 Places where complaints and motions may be submitted**

A complaint or motion may be submitted by the party to one of the following three places:

1. Directly in the main Project office, which shall fulfil the function of a consultation point:  
AECOM Polska Sp. z o.o., Odra-Vistula Flood Management Project Office, 1. Pokoju Alley, Building K1, Cracow 31-548,  
Mrs. Marta Rak, tel. +48 601 824 298 (Senior Supporting Expert for Real Estate and Technical Assistance for Client, AECOM Polska Sp.z o.o.),  
Mr. Tomasz Jankowski, tel. +48 505 028 137 (Real Estate Specialist, AECOM Polska Sp.z o.o.).
2. Directly in the Employer's office:  
PGW WP RZGW in Cracow

22. Marsz. Józefa Piłsudskiego Street  
31-109 Cracow  
+48 (12) 62-84-209 (Ms. Aleksandra Macek PGW WP RZGW in Cracow Chief Specialist, Mr. Rafał Sionko PGW WP RZGW in Cracow Specialist).

3. Directly in the office on the construction site (the address of this office will be announced on the Investor's website before starting work).

In addition, complaints and motions may be submitted:

- via mail to the addresses, as above, or
- via internet:

Website: <http://krakow.wody.gov.pl>

e-mail: [jrp.krakow@wody.gov.pl](mailto:jrp.krakow@wody.gov.pl)

### **11.3.2 Time for consideration of complaints and motions**

Terms of considering complaints and motions:

- Proposed resolution: immediately, up to 30 days from receiving the complaint.

The principles referenced in Clause 11 concerning the consideration of complaints and motions are also binding upon that type of complaints.

The proposed complaint registration form is presented in Appendix 16.6.

### **11.3.3 Persons responsible for consideration of complaints and motions**

Responsibility for reviewing complaints and motions lies with PIO personnel indicated by the PIO Manager.

### **11.3.4 Audits and independent appeal mechanism**

It is assumed that internal audits of the "complaint and motion mechanism operation" shall be conducted periodically (once in a half year) in order to assess the efficiency of the implemented system.

## **11.4 PERSONAL DATA PROTECTION POLICY FOR THE CONTRACT**

The purpose of the rules below, applied for implementation of this Task, is to ensure transparency, protection and safety of collection of personal data of Project Affected Persons (PAP).

### **11.4.1 Who is the personal data administrator?**

In accordance with Article 13 (1) and (2) of the general regulation on the personal data protection dated April 27, 2016, the personal data is administered by the State Water Holding Polish Waters with its registered office in Warsaw 00-848, 80/82. 59A Żelazna Street. 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.

#### 11.4.2 Contact details for the Personal Data Inspector

Would you have any questions about the manner and scope of processing your personal data regarding the work of the PGW WP, as well as your rights, you can contact the Personal Data Protection Inspector at PGW WP using the address [iod@wody.gov.pl](mailto:iod@wody.gov.pl)

#### 11.4.3 Legal basis for procession

The legal basis for the processing of personal data is Article 6 (1) letter e) 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 in connection with Article 3 of the Law of July 8, 2010 on particular conditions for preparing flood management contracts for implementation.

#### 11.4.4 What personal data may be collected and for what purpose?

Personal data is any information of personal character, allowing to identify a particular person. **PGW WP RZGW in Cracow** collects only such data as necessary for execution of the Contract carried out **by PGW WP RZGW in Cracow** (in this case it relates to execution of the Works Contract *“3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard”*). Such data is processed solely to the extent provided for by PAPs, with their voluntary consent expressed with a relevant form and may include:

- a) data determining identity: full name and surname and date of birth,
- b) contact details: telephone number, address of registration and/or residence, e-mail address,
- c) data connected with payment of compensation for permanent occupation of property, restrictions in use: PESEL (Personal Identification) number, series and number of the identity document, parents' names, bank account number.

The consent to store and process personal data is voluntary, lack thereof may however prevent payment of compensations or provision of information to PAPs about commencement of works and their progress.

**PGW WP RZGW in Cracow** stores current personal data of PAPs only, and should inform RZGW in Cracow of any changes to PAP data.

#### 11.4.5 What personal data was obtained in a way different than from a person being its subject and from which source/sources?

In order to identify owners / perpetual users / holders of properties that will be subject to permanent acquisition or restriction of use of **PGW WP RZGW in Cracow**, it obtained personal data from the Register of Lands and Buildings and the electronic system of Land and Mortgage Registers. The obtained data is:

- a) data specifying the identity: full name and surname and parents' names (in those cases where they were indicated in the Register of Land and Buildings), PESEL (Personal Identification) number (in those cases where it was indicated in the Mortgage Register),
- b) contact details: registered address (in those cases where they were indicated in the Register of Land and Buildings).

#### 11.4.6 To whom the personal data may be made available?

PAPs' personal data may only be disclosed to:

- a) entitled public entities for the purpose of procedures they conduct, when **PGW WP RZGW in Cracow** is so obliged under relevant regulations and documents (e.g. a court summons, injunction order or another legal procedure),
- b) the agencies involved in execution of the Works Contract *"3A.4 Extension of a section of the right embankment downstream of the Dąbie Barrage, including development of a flood gate in the area of a repair yard"*, only as far as necessary for performance of particular activities.
- c) postal operators, in order to inform PAPs,
- d) representatives of the Consultant and lawyers in order to support the implementation of the Works Contract and compensation payments.

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

#### 11.4.7 Rights of the person to whom data applies

Each PAP has the right to:

- a) access his/her personal data and to update and correct it,
- b) delete his/her personal data ("right to be forgotten") or to move it to another data manager,
- c) limit the processing of one's personal data - some data may be marked as limited to processing in certain cases only,
- d) bring a complaint concerning the processing of his/her data by **PGW WP RZGW in Cracow** to a relevant body supervising personal data processing, when PAP considers, that the processing of personal data infringes on the provisions of the general Regulation on the protection of personal data of April 27, 2016 (indicated above),
- e) withdraw consent, at any time, to process his/her personal data by **PGW WP RZGW in Cracow**.

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

#### 11.4.8 Contact to supervising authorities considering complaints

President of the Office for Personal Data Protection

2. Stawki Street

00-193 Warsaw

phone +48 22 531 03 00

fax +48 22 531 03 01

Office opening hours: 8.00 am – 4.00 pm

Hotline: 606-950-000 open on working days from: 10.00 am - 1.00 pm

#### **11.4.9 Contact person at PGW WP RZGW in Cracow for data protection policy**

**Data Protection Inspector** in PGW WP tel.: +48 22 37 20 213 e-mail: [iod@wody.gov.pl](mailto:iod@wody.gov.pl)

In RZGW in Cracow:

Tel.: +48 12 62-84-301 (Mrs. Katarzyna Szczepanek)

E-mail: [riod.krakow@wody.gov.pl](mailto:riod.krakow@wody.gov.pl)

#### **11.4.10 Time of keeping the personal data**

Personal data will be kept until the day of limitation of PAPs' compensation claims.



## 12 Institutional Structure and Implementation Team

The institutional structure of the LA&RAP developing team is presented in the following diagram:

Figure 10 – Institutional structure of the LA&RAP developing team

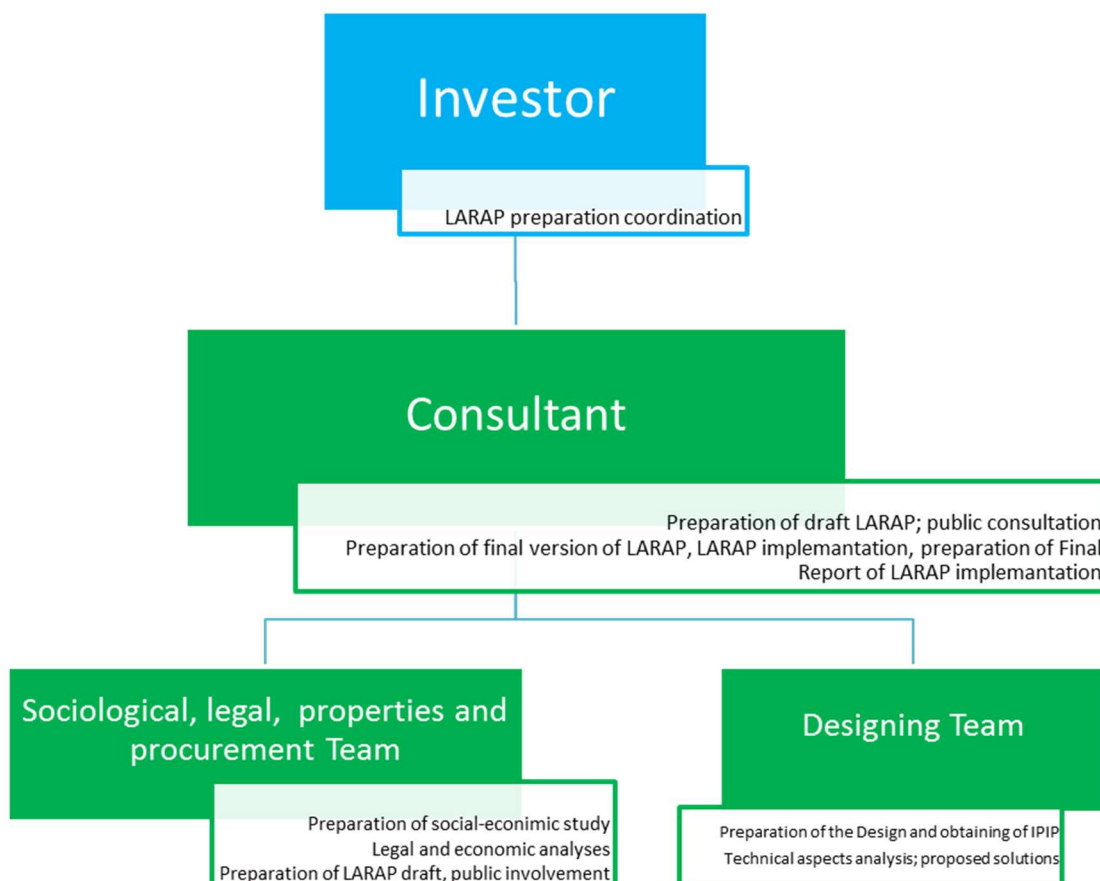
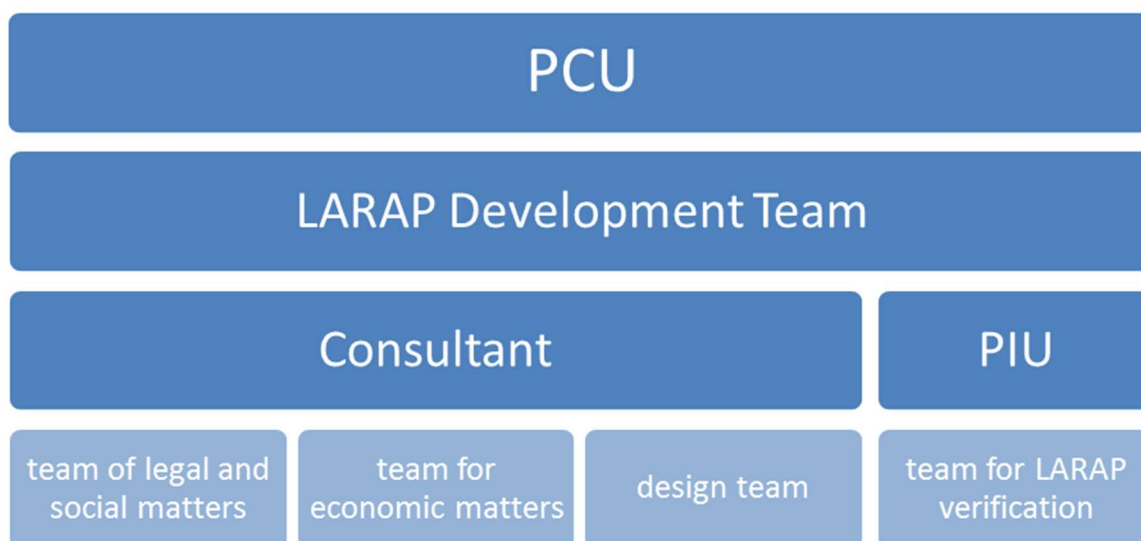


Figure 11 - Institutional structure of the LA&RAP developing team indicating location of PCU in the structure



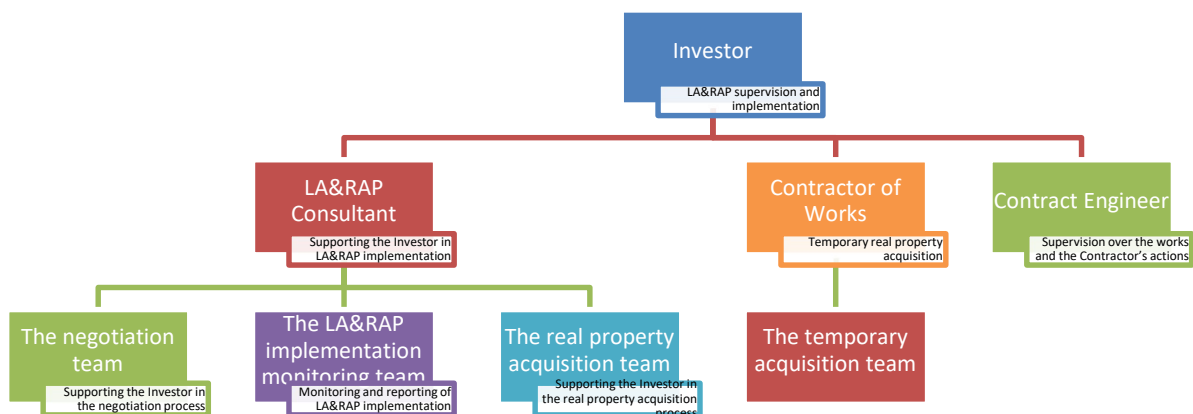
The LA&RAP Consultant for the preparation of this LA&RAP is AECOM Polska Sp. z o. o.

The scope of competence of the LA&RAP developing team is as follows:

1. The Investor – LA&RAP preparation coordination:
  - a. facilitation supervision over LA&RAP preparation;
  - b. monitoring the LA&RAP preparation process.
2. The Consultant – LA&RAP draft preparation:
  - a. conducting the socio-economic survey and preparation of a socio-economic study;
  - b. collection and analysis of the data on real property management and use;
  - c. performance of public hearings;
  - d. coordination of the social consultation process;
  - e. preparation of impact mitigation proposals and their technical analysis; submission of proposed changes to the construction design to the Investor;
  - f. eligibility analyses;
  - g. preparation of compensation packages;
  - h. LA&RAP draft preparation,
  - i. Development of the final LA&RAP.
  - j. preparation of a construction design;
  - k. obtaining administrative decisions, including decisions on the environmental conditions, IPIP;
  - l. a technical analysis of the proposed changes to the detailed design which are presented by the Consultant.

The scope of competence of the LA&RAP implementation team is as follows:

Figure 12 – The scope of competence of the LA&RAP implementation team



The scope of competence of the LA&RAP implementation team is as follows:

1. Investor
  - a. facilitation supervision over LA&RAP implementation;
  - b. concluding the compensation agreements;
  - c. compensation payment;

- d. ensuring information flow between the LA&RAP Consultant, the Engineer and the Contractor,
- e. ensuring the lack of impact on the properties, which have not been purchased and compensated as properties to be applied at the works,
- f. taking the properties over.

## 2. LA&RAP Consultant

- a. negotiation planning and participation in the negotiations;
- b. preparation of opinions and valuations by expert valuers for the purposes of negotiations with the PAP;
- c. monitoring of LA&RAP implementation by the Contractor and the Engineer;
- m. proposals of mitigation actions in case of problematic situations,
- n. supporting the Investor in taking the properties over.

## 3. Engineer

- a. supervision over the commencement and implementation of works;
- b. supervision over meeting the obligations by the Contractor.

## 4. Contractor

- a. real property obtainment for temporary acquisition;
- b. payment of compensation for real properties acquired for temporary acquisition;
- c. implementation of works on permanently acquired real properties;
- d. restoration of real properties acquired for temporary acquisition to their pre-Contract state or to the condition agreed under the contract on temporary acquisition of the properties.

## 5. PCU

- a. Coordination of actions undertaken by the PIO within the framework of Contract implementation, also in terms of LA&RAP implementation, including submission of the draft LA&RAP to the WB for the purpose of obtaining consent for the commencement of public consultations, and subsequent – after the public consultations – re-submission in order to obtain NO for the final LA&RAP.

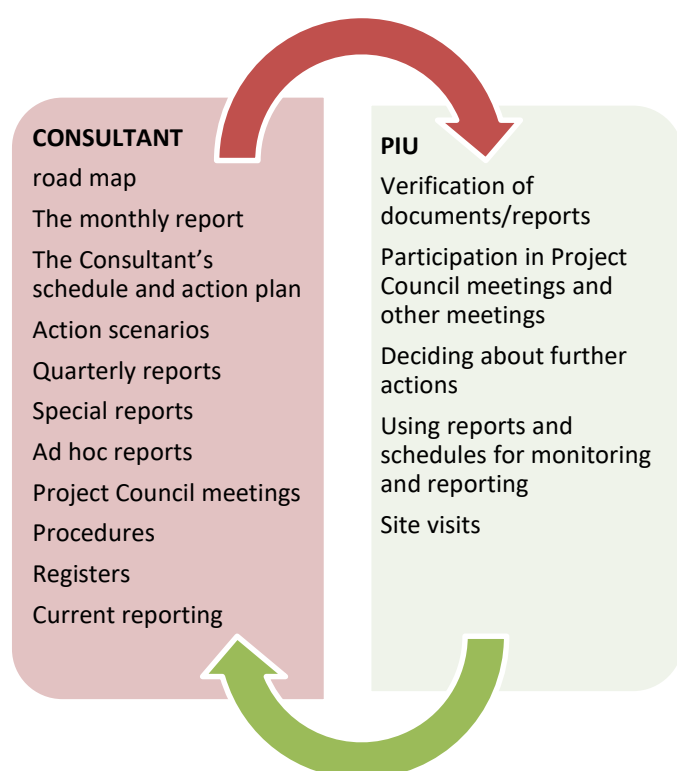
## 13 Monitoring and Evaluation

LA&RAP implementation monitoring is an integral part of the Contract monitoring and management system. Therefore, the tools used for Contract implementation monitoring shall be used for the purposes of LA&RAP implementation monitoring. Its task is reporting to financing institutions and providing current information about problems, random incidents and irregularities. LA&RAP is an integral part of the investment process that allows immediate response in the event of problems or irregularities. Ensuring appropriate cooperation between the Consultant and the PIU is also of fundamental importance. Schematic flow of information within the framework of the monitoring is shown in the chart below.

General procedures of monitoring and evaluation are described in greater detail in a document entitled Land Acquisition and Resettlement Policy Framework (LARPF) available at the following address:

[http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement\\_Policy\\_Framework.pdf](http://odrapcu2019.odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf).

Figure 13 – Scheme of LA&RAP implementation 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 real 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 real properties and the amount and type of provided compensation, in accordance with Appendix no. 1.

All changes have to be recorded in the registers. The abovementioned registers are the basis for a detailed monitoring of the following parameters:

- a) the number of real properties to be expropriated and those already expropriated,

- b) the number of people requiring resettlement and already resettled,
- c) the 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 real properties,
- f) compensations paid for loss of income sources,
- g) the implementation degree and status of protective measures,
- h) the number of complaints.

The LA&RAP implementation monitoring system shaped in this manner allows for a quick reaction to problems and for efficient reporting within the existing Contract management systems. The data shall be updated once in a quarter of a year.

The main indexes to be monitored in relation to the Contract implemented by PGW WP RZGW in Cracow are shown in the table<sup>12</sup> below.

Index	Source of information	Frequency of monitoring	Progress indicator
<b>Assumed parameters</b>			
Number of persons threatened by flooding	Data from model investigations	One-off at the Works Contract preparation stage	Number
Number of hectares of land threatened by flooding	Data from model investigations	One-off at the Works Contract preparation stage	Quantity (ha)
The number of real properties subject to expropriation	IPIP decision	Once, after issuing the decision	Number (items)
The number of real properties subject to permanent restriction in the use of properties	IPIP decision	Once, after issuing the decision	Number (items)
The number of real properties subject to temporary restriction in the use of properties	IPIP decision	Once, after issuing the decision	Number (items)
The number of real properties subject to temporary occupation (beyond IPIP)	Contractor	When signing the agreements by the Contractor,  Once a month during the works  At the end of the temporary occupation period	Number (items)

<sup>12</sup> Since there are no physical and economic resettlements, the PAPs will remain in their households and impact on the level of income is not anticipated.

Number of project affected persons (PAPs)	Land and mortgage registers, written extracts from land registers, IPIP decision	Once, after issuing the decision  Continuous updating during the period of agreeing on and paying the compensations	Number
The sum of all expenses of the compensations (planned)	Registers of PGW WP RZGW in Cracow/Consultant	Monthly/Quarterly	PLN
The number of acquired real properties	Registers of PGW WP RZGW in Cracow/Consultant	Monthly/Quarterly	Number (items)
<b>Achieved parameters</b>			
Number of persons protected against flooding	RZGW/ Consultant's records	One-off, after completion of Contract	Number
Number of hectares of land protected against flooding	RZGW/ Consultant's records	One-off, after completion of Contract	Quantity (ha)
The sum of all expenses of the compensations (expenses)	Financial registers of PGW WP RZGW in Cracow	Monthly/Quarterly	PLN
The number of acquired real properties	Registers of PGW WP RZGW in Cracow/Consultant	Monthly/Quarterly	Number (items)
<b>Efficiency indicators</b>			
The number of complaints	Registers of PGW WP RZGW in Cracow/Consultant	Monthly/Quarterly	Number (items)
The number of addressed claims	Registers of PGW WP RZGW in Cracow / the Consultant	Monthly / Quarterly	Number (items)
Paid compensations, others	Financial registers of PGW WP RZGW in Cracow	Monthly/Quarterly	PLN

LA&RAP activities will be continuously monitored, on the basis of established indicators, as well as periodically updated by the Consultant's team and by the PIO, as the works progress and new factual and legal circumstances emerge which affect the implementation of its provisions. It will allow, among others, for: provision of relevant information to Project Affected Persons, early risk identification and implementing the methods that allow for the risk minimization or elimination.

The monitoring results will be presented in the monthly reports and in 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 it will provide documented evidence that directly affected PAPs have successfully established a standard of living equal to, or better than, pre-Project levels.



## 14 Costs and Budget

No.	Item	Unit	Price PLN/m <sup>2</sup>	Area [ha] Qty. [items]	Total [PLN]
1	Permanent acquisition <sup>13</sup>	Hectare	No data	0.9335 ha 7 units	No data* <sup>14</sup>
2	Permanent restriction in the use <sup>15</sup>	Hectare	No data	0.7640 ha 13 units	No data*
3	Court costs <sup>16</sup>	Not applicable	No data	No data	No data
4	Costs of implementation of LA&RAP <sup>17</sup>	Not applicable	No data	No data	No data
5	“Remnants” purchase cost	PLN	No data	No data	No data
6	Unexpected costs (+20% to the total of item no. 1)	PLN	Not applicable	Not applicable	No data
7	Total: (sum of the items - No.: 1-6 )	PLN	Not applicable	Not applicable	No data

\* the amounts shall be established by an independent assessor.

Information on the amount of compensation for permanent acquisition and for permanent restriction in the use of properties shall be supplemented after developing an evaluation by a valuer.

The compensation is paid by the Investor, i.e. by PGW WP RZGW. The funds are guaranteed by the State Treasury and transferred to the Polish Waters via the Ministry of Finance and the Ministry competent to matters of Polish Waters.

PAP receive compensation from the bank account of PGW WP RZGW to an indicated bank account or, if PAP does not have a bank account, the payment will be made by postal order.

The LA&RAP implementation costs shall include, among others, the costs of correspondence with PAPs and the costs of remittances in case of compensation payment to persons without a bank account.

<sup>13</sup> The final quantity shall be established in the IPIP decision.

<sup>14</sup> The amount will result from appraisal reports and will be increased by 5% (in the case of the release of real estate by PAP within 30 days of the day indicated in Chapter 8.4.1 of LARAP).

<sup>15</sup> The final quantity shall be established in the IPIP decision.

<sup>16</sup> The amount shall contain costs of proceeding before administration courts and common courts (costs of court entries, costs of experts, costs of legal representation, escrow, and other related fees). Costs of proceeding before administration court may be estimated after the decision of the Governor of Malopolska Region establishing the compensation amount becomes final.

<sup>17</sup> The amount shall be determined on the stage of establishing the compensation amount with the PAP.

## 15 LA&RAP Implementation Schedule

The individual steps necessary for the preparation and implementation of the LA&RAP, according to the LARPF, are shown in the table below. A detailed schedule in this regard is contained in Appendix no. 3 to this document.

LA&RAP DEVELOPMENT			
Steps	Action	Responsibility	Verification of performed actions
1	Preliminary social impact estimation for the Contract	PGW WP RZGW in Cracow – team for LA&RAP verification	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
2	Determination of the final scope of expropriation and development of a construction design	Consultant –Designing Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
3	Determination of coordination framework for LA&RAP implementation with relevant government administration authorities	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
4	Collection of written and graphic extracts from land and building registers and from spatial management plans	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
5	Socio-economic research	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
6	Assessment of Contract's social impact	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
7	Estimation of losses and damages and their replacement value, in accordance with relevant provisions	Consultant – Economic Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
8	Verification and update of collected materials, impact analyses and economic analyses	Consultant – Legal, Properties and Procurement Team	PIO in PGW WPRZGW in Cracow – team for LA&RAP verification
9	LA&RAP draft development	Consultant – Legal, Properties and Procurement Team	PIO in PGW WPRZGW in Cracow – team for LA&RAP verification

10	Public consultations on LA&RAP	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
11	In the scope resulting from taking into consideration comments and motions to the LA&RAP – implementation of changes to the construction design	Consultant –Designing Team	PIO in PGW WP RZGW in Cracow – technical team
12	PIO in PGW WP RZGW in Cracow – verification and update of collected materials, impact analyses, and economic analyses	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
13	In the scope resulting from taking into consideration comments and motions to the LA&RAP – introduction of changes into the LA&RAP	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP verification
14	Submission of the LA&RAP to the World Bank	PGW WP RZGW in Cracow	PCU
15	No remarks from the World Bank	WB	-
16	LA&RAP publishing (also on the World Bank web page)		PIO in PGW WP RZGW in Cracow – team for LA&RAP verification

LA&RAP IMPLEMENTATION			
Steps	Action	Responsibility	Verification of performed actions
1	Determination of a detailed LA&RAP implementation schedule	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
2	Submission of motions for the IPIP	Consultant –Designing Team (authorized by the Investor)	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
3	PIU's acquisition of real properties that shall be handed over as replacement real properties	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation

LA&RAP IMPLEMENTATION			
Steps	Action	Responsibility	Verification of performed actions
4	Obtaining the IPIP	Consultant –Designing Team (authorized by the Investor)	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
5	Informing the PAP about obtaining the IPIP, its effects and the Investor’s further planned actions	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
6	Valuation of real property by valuers, in line with the law in force, and valuation verification	Consultant – Legal, Properties and Procurement Team, Financial Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
7	Delivery of the appraisal studies to the expropriated persons and conducting negotiations	Consultant – Legal, Properties and Procurement Team, Financial Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
8	Should negotiations fail – obtaining a decision from the Governor on the amount of compensation	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
9	Payment of compensation or handover of replacement real properties, commencement of other compensation and protective measures stipulated in the LA&RAP	PGW WP with the support of the Contract Engineer	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
10	Physical acquisition of expropriated real properties and commencement of works	Consultant – Legal, Properties Team/ Contractor	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
11	LA&RAP implementation evaluation	Consultant – Legal, Properties and Procurement Team, Financial Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation

CYCLIC TASKS			
Steps	Action	Responsibility	Verification of performed actions
1	Permanent internal monitoring of LA&RAP implementation	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
2	Reporting to the World Bank	PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation	PCU
3	Permanent coordination with the government and local government administration authorities	PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation	PCU
4	Permanent communication with the PAP	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation

POST-IMPLEMENTATION TASKS			
Steps	Action	Responsibility	Verification of performed actions
1	LA&RAP implementation evaluation	Independent external auditor	-

## 16 Appendices

### 16.1 REAL PROPERTY ACQUISITION PROGRESS MONITORING TABLE

The table has been attached in a digital version.

### 16.2 TABLE – LIST OF REAL PROPERTIES, OWNERS, AND IMPACT

The table has been attached in a digital version.

### 16.3 REAL PROPERTY PURCHASE SCHEDULE

The schedule has been attached in a digital version.

### 16.4 MAPS CONTAINING CONTRACT AREA SPLITTING LINES

Documentation about properties divisions is being prepared.

### 16.5 SOCIO-ECONOMIC SURVEY

The survey has been attached in a digital version.

### 16.6 FORM OF SUBMITTING COMPLAINTS TO THE CONSULTANT (BASE UPON WB GUIDELINES)

Case no.:	
<b>Name and surname</b> <i>Attention: a complaint may be submitted anonymously or the applicant may demand that their data be disclosed to third persons only with the applicant's consent</i>	Name of the applicant _____ Surname of the applicant _____ <div><input type="checkbox"/> I wish to submit a complaint anonymously</div> I demand that my data be disclosed to third persons only with my consent

<b>Contact details</b>  Please indicate the manner in which the applicant should be contacted (by e-mail, phone or post)	<b>By post (please enter the correspondence address):</b> _____ _____ _____ <b>By phone:</b> _____ <b>E-mail</b> _____
<b>Preferred communication language</b>	Polish English <b>Other (please specify):</b> .....
<b>Description of the subject of the case or complaint</b>	
Please specify: the subject of the case/complaint, the date of the event, the place affected by the case/complaint, the persons involved in the case and the effects of the situation.	
<b>Date of occurrence of the complaint subject/of the case</b>	
	A one-time event/complaint (date: _____) It happened more than once (please state how many times: _____) Pending (an existing problem)
<b>What actions, in the applicant's opinion, would enable solving the problem?</b>	



Signature: _____			
Date: _____			
Please hand over this form		[Surname]	H&S Inspector
to:			[Company name]
Address: _____	Telephone	no.:	or e-mail: _____

## 16.7 REPORT ON THE ORGANIZED PUBLIC DISCUSSION ON THE LA&RAP DRAFT

The report shall be attached in a digital version.

## 16.8 PROPERTY USE AGREEMENT FOR TEMPORARY LAND USE PURPOSES

The agreement has been attached in a digital version.

## 16.9 INFORMATION BROCHURE

The brochure attached in an digital version.

## 16.10 LOCATION OF CONTRACT ELEMENTS

The map attached in an digital version.