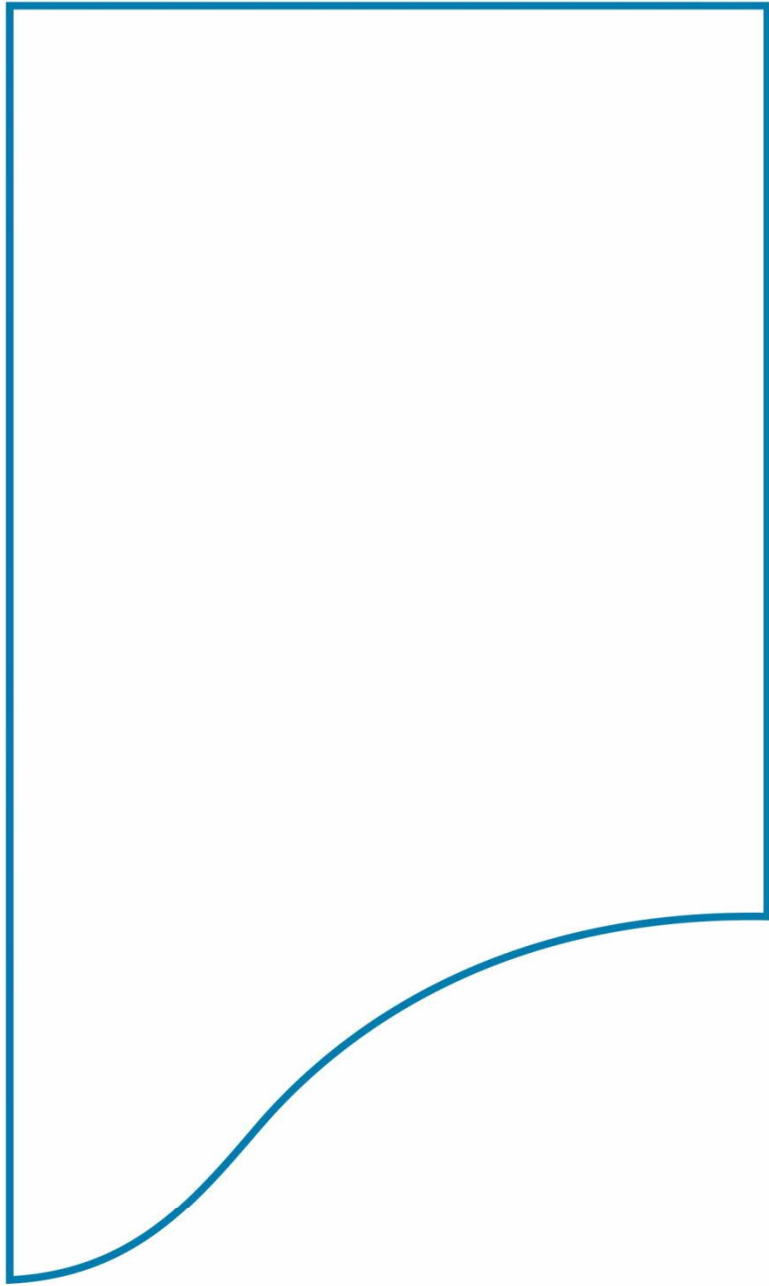


LAND ACQUISITION AND
RESETTLEMENT ACTION PLAN



ODRA-VISTULA FLOOD
MANAGEMENT PROJECT



Projekt Ochrony
Przeciwpowodziowej
w Dorzeczu Odry i Wisły



Państwowe
Gospodarstwo Wodne
Wody Polskie



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FINAL REPORT

on the implementation of the activities indicated in
the Land Acquisition and Resettlement Action Plan

ODRA-VISTULA FLOOD MANAGEMENT PROJECT

COMPONENT 2:
FLOOD PROTECTION OF THE KŁODZKA VALLEY

SUBCOMPONENT 2A:
Active protection

2A.1/2 Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on Goworówka stream

ISSUE	DATE	AUTHORS	REVIEWED BY	CLIENT'S APPROVAL	DESCRIPTION
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ODRA-VISTULA FLOOD MANAGEMENT

PROJECT CO-FINANCED BY:

World Bank, Loan Agreement No. 8524 PL

Council of Europe Development Bank (CEB), Framework Loan Agreement No. LD 1866

European Union Cohesion Fund (OPI&E 2014 - 2020)

State Budget

FINAL REPORT

on the implementation of the activities indicated in THE LAND ACQUISITION AND RESETTLEMENT ACTION PLAN

Subcomponent 2A: Active protection

Works Contract: 2A.1/2 Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on
Goworówka stream

The Final Report on the implementation of the activities indicated in the Land Acquisition and Resettlement Action Plan was prepared by the Technical Assistance Consultant, Sweco Polska Sp. z o.o., for Contract 2A.1/2 implemented by the Odra-Vistula Flood Management Project Implementation Unit.

The ex-post evaluation was conducted twelve months after the LARAP has been fully implemented and confirms that its objectives were met and adequately documented. It is concluded that all the activities described in the LARAP have been implemented and that each entity affected by the project (family, individuals, enterprises) have obtained compensation and their standard of living has improved or at least been restored.

PROJECT IMPLEMENTATION UNIT:

The State Water Holding Polish Waters represented by

the Director of the State Water Holding Polish Waters

Regional Water Management Authority in Wrocław

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Odra-Vistula Flood Management Project Implementation Unit

Technical Assistance Consultant, SWECO Polska Sp. z o.o.

ODRA-VISTULA FLOOD

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ARMA	Agency for Restructuring and Modernisation of Agriculture
AP	Affected Population
World Bank	International Bank for Reconstruction and Development
PCU	Odra-Vistula Flood Management Project Coordination Unit (OVFMP)
WB	See the World Bank
GDOŚ	General Director for Environmental Protection
GIS	Geographic Information System - a terrain information system comprising a database with terrain information pertaining to a given area as well as procedures and techniques for systematic capturing, updating and presenting data.
CSO	Central Statistical Office
PIU	Project Implementation Unit - a separate organisational unit appointed within the PIU responsible for Contract/Investment execution
Investor	State Water Holding Polish Waters - Regional Water Management Authority in Wrocław
Engineer	See Consultant
Consultant	Consultant for the State Water Holding Polish Waters Regional Water Management Authority in Wrocław
C.C.	Civil Code of April 23, 1964 (consolidated text, Journal of Laws of 2023, item 1610)
KOWR	National Support Centre for Agriculture
CAP	Act of June 14, 1960 – Code of Administrative Procedure (consolidated text, Journal of Laws of 2023, item 775, as amended)
LARPF or RPF	Land Acquisition and Resettlement Policy Framework
MaxPP	Maximum damming level
LSDP	Local spatial development plan
NBP	National Bank of Poland
NGO	Nongovernmental Organisation
SAC	Supreme Administrative Court
OVFM	Odra-Vistula Flood Management

EIA	Environmental Impact Assessment
OP 4.12	Designation of the document which contains the principles for involuntary resettlements required for financing for Task with the World Bank's loan: Operational Policy 4.12 - Involuntary Resettlements.
PAP	Project Affected Person(s)
IPIP	Investment project implementation permit
OVFMP	Odra-Vistula Flood Management Project
LARAP	Land Acquisition and Resettlement Action Plan
Project	See OVFMP
Property appraiser/expert	Natural person with state professional qualifications within the scope of property valuations
RDOŚ	Regional Director for Environmental Protection
RZGW WR	State Water Holding Polish Waters Regional Water Management Authority in Wrocław
Special Flood Act	Act of July 8, 2010 on particular rules of preparing the implementation of flood management structure projects (consolidated text, Journal of Laws of 2021, item 1812)
Special Road Act	Act of April 10, 2003 on special rules for preparation and implementation of investments in public roads
PR	Permanent restrictions to the manner of real property use
EU	European Union
RPM	Act of August 21, 1997 on real estate management (consolidated text, Journal of Laws of 2023, item 344, as amended)
PAC	Provincial Administrative Court
Contractor	Entrepreneur or a consortium of entrepreneurs implementing the Works Contract 2A.1/2 Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on Goworówka stream.
Task	2A.1/2 Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on Goworówka stream.

SUMMARY

Subject of the Contract:	Under the Works Contract: 2A.1/2 Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on Goworówka stream
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Completion date of Investment implementation (of completion of works)	August 24, 2021
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Date of awarding "NO" for the LARAP:	April 12, 2017
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Number and category of PAPs:	30 PAPs
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Sum of compensations disbursed to PAPs:	7 522 527 052.19 PLN – cash compensation
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Number of properties and ownership class:	Permanent occupation: 73 properties: 28 private properties, 45 public properties (16 commune properties, 26 State Treasury properties, 3 Roman Catholic Parish properties)
	Temporary occupation: 10 properties – 1 private property, 9 public properties (9 State Treasury properties)

Key issues:	— in connection with expropriations, payments of compensations for land
	— in connection with expropriations, payments of compensations for expiry of contract of lease
	— in connection with temporary occupation, settling the issue of using such properties, monitoring of the manner of use and time of occupation and clarifying the status after finishing the use

Key achievements:	— compensations for land were paid to the former owners/co-owners (for detailed description – see chapter 6.1 Permanent occupation),
	— the use of temporarily occupied properties was finished; this use has taken place in accordance with the provisions of signed agreements. The plots have been restored to their pre-occupation condition. There were no objections as to the condition of the properties after the end of temporary occupation and all obligations were fulfilled (for detailed description – see chapter 6.2 Temporary occupation)

1 Introduction

All the works to be executed under Contract 2A.1/2 were finished in 2021 and the Quality Guarantee and Warranty Period ended in 2023. This Report presents an account of the implementation of the measures planned in the Land Acquisition and Resettlement Action Plan (LARAP) for Works Contract 2A.1/2 Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on Goworówka stream executed under the Odra-Vistula Flood Protection Project (OVFMP) co-financed by the International Bank for Reconstruction and Development (World Bank or WB), Council of Europe Development Bank (CEB), and the State Budget. The task consisted in the construction of a dry flood protection reservoir and in relocating the poviát road no. 3233D Roztoki-Goworów-Międzylesie colliding with the construction of the flood protection reservoir.

The LARAP for Contract 2A.1/2 was awarded No Objection on 04/12/2017. The LARAP was implemented in accordance with the requirements of the Project Operations Manual and the Land Acquisition and Resettlement Policy Framework¹. The aim of the Final Report on the implementation of the Land Acquisition and Resettlement Plan (LARAP) is to document the process of land acquisition and to assess if it meets the requirements under OP 4.12, or whether there are any corrective actions that still need to be taken.

In line with the assumptions made in the LARAP, an ex-post evaluation was made after full implementation of the LARAP. The evaluation confirms that the mitigation measures have been correctly implemented and properly documented and the socio-economic situation of the PAPs is at a level equivalent to the pre-project level. It was confirmed, in particular, that compensation and minimisation of the Project's impacts took place in accordance with the principles of OP 4.12. The scope of the task 2A.1/2, Construction of "Roztoki Bystrzyckie" - a dry flood control reservoir on Goworówka stream, covered the village of Roztoki Bystrzyckie, located in the Międzylesie Commune, in the estuary section of the Goworówka stream, at a distance of about 150.0m east of the outskirt buildings of the village of Roztoki Bystrzyckie (above the village).

This task encompassed, inter alia:

1. Relocation of the 20kV MV overhead cable line (disassembly and construction in the new location) and relocation of the DN200, 1.6MPa gas pipeline (disassembly and construction in the same location).
2. Construction of the reservoir's facilities, including in particular:
 - a. Construction of an earth dam together with formation of the dam's headwater station (dam forefield) and tailwater weir.
 - b. Construction of discharge facilities (sluice facilities and overflow facilities).
 - c. Sectional training of the Goworówka stream channel within the area of the tailwater station and headwater weir.
 - d. Formation of the reservoir's bowl together with development of the slopes of the reservoir bowl.

¹ <https://odrapcu.pl/projekt-opdow/popdow-dokumenty/>

- e. Construction of service (internal) roads.
 - f. Execution of control and measurement equipment and automatic control systems for the Facility.
 - g. Construction of the operating backyard building.
3. Relocation of powiat road no. 3233D – disassembly and construction of the fragment of the road in another location.

Considering the existing regulations for implementation of investments in the field of flood protection structures and for implementation of investments in the field of public roads, the Task was divided into two parts:

- Construction of the “Roztoki Bystrzyckie” dry flood control reservoir on the Goworówka stream. This project was being implemented with adherence to the Special Flood Act. The project encompassed the relocation of a 20kV MV overhead power line and a DN200, 1.6MPa underground gas pipeline.
- Relocation of powiat road no. 3233D Roztoki-Goworów-Międzylesie in the precinct of Roztoki colliding with the construction of “Roztoki Bystrzyckie” – a dry flood control reservoir on the Goworówka stream. This project was being implemented with adherence to the Special Road Act. The project was being executed in consultation with the relevant road manager - the Powiat Road Administration in Kłodzko.

Prior to the investment implementation, the area of the Task was mainly used for agriculture, with only 9.5 ha being forests and trees. The reservoir's dam (counting in a straight line from the dam's crest) was built at a distance of about 210.0 m to the east from the nearest buildings of the village of Roztoki with buildings situated along the national road no. 33; at a distance of about 1.5 km to the west from the nearest buildings of the village of Gajnik with buildings situated along the powiat road Roztoki-Goworów; at a distance of about 2.3 km to the west from the nearest buildings of the village of Michałowice with buildings situated along the powiat road Roztoki-Goworów no. 3233D. The area of the reservoir bowl was crossed by a 20kV MV power line, a G200 gas pipeline and the powiat road no. 3233D with a bridge located over the Nowinka stream (appendix no. 3 Photographic documentation).

Approximately 1,230 people living along the Nysa Kłodzka River at the section from Boboszów to Bardo and along the Bystrzyca Dusznicka River to the town of Kłodzko are protected from flood as a result of Project implementation (construction of 4 dry reservoirs). The most important objective of the Contract was to reduce the volume of flows and the flood hazard in the river valleys where the reservoirs are located and in the valley of the Nysa Kłodzka River. As a result of reservoir construction and implementation of the other Project elements, 3,851 facilities exposed to the direct risk of flood are protected against flooding, including, in particular, residential buildings, buildings of special social importance, industrial plants. Indirectly, on the other hand, the newly constructed reservoirs have contributed to the protection of approx. 112,000 people (the total population of the flood-affected communes).

Table 1. Area and number of properties acquired and impacts of Contract 2A.1/2.

Impacts due to type of works/impacts as indicated by IPIP	Total number of hectares [ha]	Total number of plots [pcs.]	Public plots						Private plots		%	Physical resettlement	Economic resettlement
			State Treasury	%	Commune	%	Roman Catholic Parish	%	Number of plots	Number of PAPs			
Permanent occupation – acquired for construction of flood protection reservoir Appendix no. 2 Sheet 1. (IPIP)	83,1224 (including private 36,8613)	60	17	28%	14	23%	3	5%	26	30	44%	0	0
Permanent occupation – acquired for reconstruction of poviat road 3233D Appendix no. 2 Sheet 1. (ZRID)	3,8225 (including private 0,0265)	13	9	70%	2	15%	0	0	2	2*	15%	0	0
Total	86.9449	73	26		16		3		28	30		0	0
Temporary occupation - reconstruction of cable telecommunication network Appendix no. 2 Sheet 2	0,3971 (including private 0,0340)	5	4	90%	0	0	0	0	1	2*	100%	N/A	N/A
Temporary occupation - reconstruction of gas pipeline Appendix no. 2 Sheet 2	0.0200	1	1	100%	0	0	0	0	0	0	0	N/A	N/A
Temporary occupation - reconstruction of overhead 20kV MV line Appendix no. 2 Sheet 2	0.0200	1	1	100%	0	0	0	0	0	0	0	N/A	N/A

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Temporary occupation - restriction in property use in connection with water damming Appendix no. 2 Sheet 2	0.8400	3	3	100%	0	0	0	0	0	0	N/A	N/A
<u>Total</u>	<u>1.2771</u>	10	9		0	0	0	1			N/A	N/A

* for the road part and the part for the reservoir, land was often acquired from the same PAPs. For these reasons, the total number of PAPs for both parts of the investment is given.

The land designated for the Investment, i.e. for reservoir construction, was agricultural land. Some of the properties taken over were arable land, meadows, pastures and wooded and bushy land. These were undeveloped properties owned by households, Międzylesie Commune and State Treasury. For the purpose of Investment implementation, properties with a total area of 36,8878 ha (IPIP +ZRID) were acquired from private individuals. There was no physical and economic resettlement. All compensations were paid on time and in the amounts agreed in the agreements with PAPs or in decisions of the Province Governor of Lower Silesia (where compensation was determined by the Province Governor). No complaints were received in relation to Task execution.

All impacts were insignificant, with no impacts identified in any case in terms of, inter alia, loss of sources of income, jobs, accessibility to infrastructure, loss of farming opportunities, loss of enjoyment of natural assets/access to parks, reserves, access to educational institutions, cultural facilities, etc.

The key figures for LARAP implementation are presented below:

Table 2 Key PPNIP implementation dates.

Action	Date
Public consultation for LARAP	11/28/2016
NO for LARAP	04/12/2017
Start of compensation payments	July 2017
Physical entry into the field	01/25/2018
End of Reservoir construction	08/09/2021
End of Defects Notification Period	08/24/2022

2 Description of the operation of property acquisition procedures

2.1 PERMANENT OCCUPATION (EXPROPRIATION) UNDER THE SPECIAL FLOOD ACT

2.1.1 Expropriation procedure

Properties were acquired using the principles described in the LARAP, in particular by respecting the requirements set out in OP 4.12.

Pursuant to the Special Flood Act, the expropriation of real property or a part thereof, as well as permanent and temporary limitation of the manner of use of real property or part thereof was set forth in the IPIP issued by the Province Governor. Expropriation took place the moment the IPIP became final.

On account of a transfer of property ownership for the benefit of the State Treasury, the real property owner or its perpetual usufruct holder were entitled to financial compensation or of the "land for land" type. The Special Flood Act did not indicate a particular preference as to the disbursement of

compensation in the “land for land” form; rather financial compensation was foreseen under an assumption that it facilitated the purchase of a similar real property at market prices. This was also the form of compensation preferred by PAPs. During the negotiations on how the compensation would be paid (in cash or as land-for-land), the PAPs chose the cash form of compensation.

The amount of compensation was determined separately for each property by individual negotiations of the Investor with present owner or holder of perpetual usufruct rights (see in detail point 3.2 of this report). The negotiations were held on the basis of an independent and objective assessment of a valuation prepared by licensed appraiser who holds an appropriate professional licence (professional official permission to value real property). The appraisal was prepared at the Investor's order.

The amount of compensation was determined for the real estate in the condition as of the date of issuing the IPIP, but in reference to real estate value as of the date on which the amount of compensation was determined.

In case the Investor and the expropriated party reach an agreement as regards the amount of compensation, a written agreement was concluded, determining the amount of compensation, and time and manner of its payment (see point 5.1 and 6.1).

However, if the agreement as to the amount of the compensation was not reached within 2 months from the date of issuing the final IPIP, the amount of the compensation was determined by the Province Governor under a decision. Before issuing the decision on the amount of compensation, the Province Governor appointed an independent expert appraiser. If the affected party filed remarks and motions in the proceedings, the Province Governor had to refer to them during the proceedings and subsequently in the issued compensation decision. In a number of cases where the case went to the Province Governor, differences arose between the amount of compensation estimated by the expert acting on behalf of the Investor and the amount estimated by the expert acting on behalf of the Province Governor. The differences were due to the experts adopting different packages of market transactions for analysing the amount of compensation; in general, the valuations of the experts acting on behalf of the Province Governor were more favourable to PAPs. Accordingly, the Investor paid compensation in the amount determined by the expert acting on behalf of the Province Governor to be more favourable to PAPs. A detailed list of decisions issued by the Province Governor is presented in point 6.1.1.

2.1.2 Procedures for appeal

A party had the right to appeal to a higher authority against the decision issued by the Province Governor establishing the amount of compensation. In such case, the PAP could file a motion for paying the compensation in the amount stated in the contested decision. In such case the compensation would be paid in the amount as stated in the decision, which did not influence the appeal proceeding.

None of the PAPs appealed against the Province Governor's decision establishing the amount of compensation. Therefore, in cases where compensation was determined by the Province Governor, it was paid in the amount determined by the Province Governor's decision.

2.2 PERMANENT OCCUPATION (EXPROPRIATION) UNDER THE SPECIAL ROAD ACT

2.2.1 Expropriation procedure

Properties were acquired using the principles described in the LARAP, by respecting the requirements set forth in OP 4.12. Pursuant to the Special Road Act, expropriation of a real property or a part thereof, as well as permanent and temporary restriction of manner the of use of a real property was set forth in the RIPID (road investment permit implementation decision) decision issued by the Starost for commune roads. Expropriation took place the moment the RIPID became final.

Real property owners or its perpetual usufruct holders were entitled to financial compensation or of the "land for land" type, while the special road act indicated rather a preference for monetary compensation, allowing to purchase a similar property at market prices. The amount of compensation was determined by the Kłodzko Starost, by way of a separate decision, on the basis of an independent valuation by a qualified property valuer. Consequently, negotiations with a PAP were limited to the preferred form of compensation and the time and terms of the release of the property.

The decision establishing compensation was issued within 30 days of the RIPID becoming final, or within 60 days if it was made immediately enforceable. Negotiations concerned the form of compensation and the conditions for taking over the property, and the outcome was determined by a decision of the starost, in accordance with the provisions of the special road act.

The necessity to apply the RIPID and OP 4.12 in the process of negotiations, acquisition of properties and payment of compensations was established in agreement between the Poviats of Kłodzko and the Investor, concluded after negotiations. The agreement determined the conditions for the transfer of funds for payment of compensation and for cooperation in implementation, monitoring and reporting for verification by the World Bank. The conclusion of this Agreement was voluntary and took place after 01/30/2017. The agreement determined the conditions for the transfer of funds by the Investor for the payment of compensations.

From the date of issuing the final IPIP to the date of putting out of use the section of poviats road no. 3233D colliding with the construction of the Reservoir, the costs related to the maintenance of this road section were financed from the Investor's budget.

2.2.2 Procedures for appeal

A party had the right to appeal against the decision issued by the Starost establishing the amount of compensation to a higher authority (in case of RIPID issued by the Starost - to the Province Governor).

In case the expropriated party filed an appeal from the decision establishing the amount of compensation, an advance payment of 70 % of the compensation established by the body of first

instance in the decision establishing the amount of compensation could be made at that person's request. The advance payment was paid once within 30 days from the date of submitting such a request. However, there were no requests for payment of an advance payment.

The decision issued in the appeal proceeding could be further contested to the Provincial Administrative Court within thirty days from the date of delivery of judgement to the complainant. A party had the right to lodge a cassation appeal with the Supreme Administrative Court against the judgement of the Provincial Administrative Court within thirty days from the date of delivery of a copy of the judgement with substantiation to the party. However, there were no cases referred to the administrative court.

Compensation for the properties expropriated under the RIPID was paid by the Poviats of Kłodzko to the benefit of which the expropriation had taken place. Accordingly, an agreement should have been entered into between the Poviats of Kłodzko and the Investor obliging the Poviats to apply the principles of this LARAP and OP 4.12 in the procedure for determining and paying compensation and laying down the principles for incurring the related costs.

2.3 PERMANENT RESTRICTIONS AND COMPENSATION FOR TRANSMISSION LINE OPERATORS

Compensations for PRs established based on the provisions of the Special Flood Act and the Special Road Act were governed by procedures and valuation principles described in the LARAP which concern determination and payment of compensations for expropriation of real properties or their parts.

Operators of power lines and gas lines received compensation in the form of a new transmission device (transmission network) constructed on other properties in place of those dismantled. A right was established on the properties on which the new transmission facilities were provided, entitling the operators of the network facilities to use these properties within the limits set by the purpose of the transmission facilities. Such encumbrance includes access, use by existing exploitation, performance of controls, inspections, maintenance, upgrades, refurbishments, removal of failures, replacement of equipment located on the given property within the scope required to ensure correct and uninterrupted operation of the network. These encumbrances have the form of permanent restriction (PR). Permanent restrictions apply to public plots and one private plot. Owners of a private plot are entitled to receive compensation for the encumbrance of their property by the PR. The compensation was paid by the Investor under a decision of the Province Governor of Lower Silesia.

It was also necessary to temporarily occupy one property of a private person for the purpose of investment implementation (see Table no. 1). The entitled persons received compensation for this and the properties themselves, after the end of investment implementation, were restored by the Contractor to their previous state (from prior to the project).

2.4 TEMPORARY OCCUPATION

The IPIP and RIPID could also specify temporary restrictions on the use of the property for the duration of Investment implementation (so-called temporary occupation). After completing the execution of activities associated with the implementation the investment (e.g. after the construction of technical infrastructure facilities) and after the expiry of the period for which the permits for temporary occupation of the property were granted, the property should have been restored to the previous state. If it was not possible to restore the property to the previous state, compensation for the PAP's losses incurred in this respect would be payable, corresponding to the value of the damage suffered (Art. 128(4) of the RPM). If, as a result of failure to restore the property to its previous state, the value of the property would be decreased, the compensation would be increased by the amount corresponding to that decrease.

During the investment implementation, the Investor has abandoned most of the time occupation as part of minimising impacts on the PAPs. Detailed data for temporary occupation is presented in chapter 6.2.

2.5 ADDITIONAL ISSUES

2.5.1 Payment of advances for compensation

Differences between OP 4.12 and the Polish regulations were identified when analysing the gaps at the LARPF stage. As per OP 4.12, the compensation should be paid prior to physical occupation of the land for the purpose of Task implementation. However, the Special Flood Act allows for occupying the land and commencing works before the compensation is paid.

It was established under the corrective instruments applied that "in all cases, no work will begin until there is documented evidence that the project-affected person has been informed well in advance, compensation has been paid and it has granted permission to enter the land.

The only exceptions are cases where the process is taken to the courts because negotiations fail or other reason or cases where absentee owners cannot be found.

To minimise the risk of starting works before compensating for losses the project will plan and conduct land acquisition well in advance of starting construction."

However, it became apparent in the course of LARAP implementation that the corrective instrument determined in the LARAF was not sufficient due to the considerably protracted administrative proceedings involved in the determination and payment of compensation. It was therefore necessary to propose a procedure that would allow the investment to start while respecting the principles of OP 4.12.

To this end, it was agreed during the World Bank Mission that in the event of a prolonged procedure involving issuance of the decision determining the compensation amount, the Investor will propose the PAP payment of the compensation for the expropriated property amounting to 70% of the property value, determined in the appraiser's valuation prepared at the Investor's order, regardless of the ongoing administrative proceedings to determine the compensation amount. The proposed advance

could have been paid to PAP at any time (until the conclusion of the proceedings before the Province Governor and then any appeal proceedings) from the date PAP received the proposed agreement. The World Bank has agreed that if a proposal is made to pay an advance for compensation and allow the PAP to collect this advance at any time, such a situation should be treated as meeting the requirement of OP 4.12 to ensure that the PAP can be compensated prior to the physical commencement of works on the PAP's property. This was officially introduced into the POM and RPF. This undisputed part of compensation was to be paid under an agreement between the PAP and the Investor. It was agreed that if the compensation value determined by way of an administrative decision exceeds the compensation proposed by the Investor, then the remaining part of such compensation (up to the amount determined in the decision) will be settled and paid to the PAP once the decision has become binding and final.

What is important, the PAP's acceptance of the compensation part proposed by the Investor did not mean acknowledging the compensation amount determined in the appraisal report prepared at the Investor's order and it would have no impact on the proceeding to determine the compensation amount for the expropriated property conducted in this case.

2.5.2 Compensation for the lease

For the plots of the Agricultural Property Agency² on which leasehold was established, the lessee received compensation for the expiry of the lease contract. Negotiations were held with PAPs in respect of land acquisition conditions (form of compensation, land acquisition date, use principles after issuing the IPIP, etc.) After issuing the IPIP, negotiations were also held concerning the level of compensation on the basis of an independent expert appraiser's opinion (see in detail point 3.2 of this report). Compensations were paid to PAPs before the start of works on the plots being occupied.

2.5.3 Increase in compensation amount with immediate release of property

If a current owner or perpetual user of a property subject to expropriation has released such a property, or has released such a property and emptied premises and other rooms not later than within 30 days of the date of delivering a notification of issuing the IPIP/RIPID decision, the compensation amount was increased by 5% of the property value or the value of perpetual usufruct right. The increase in compensation is solely linked to the fact that the property has been released. It is not linked to the fact of signing an agreement determining the amount of compensation or accepting a proposal to an advance for the compensation.

For the analysed Task, this was the case in 38 cases. (see in detail point 6.1.1 of this report).

² As a result of an amendment to the act, on September 1, 2017 the Agricultural Property Agency was transformed into the National Support Centre for Agriculture

2.5.4 Remnants

Article 23(1) of the Special Flood Act and Article 13(3) of the Special Road Act provides that if a part of a real property is acquired, and the remaining part is not suitable for the correct use for existing purposes (the so called "remnant"), the Investor upon a request of its owner or perpetual usufruct holder is obliged to purchase that part of the property.

The request for the purchase of a remnant may be submitted before the IPIP or RIPID is issued, however the purchase of the property itself may only take place following the issue of the IPIP or RIPID decision. If the IPIP is issued, the owner of a real property on which a public road is situated may not demand purchase of the remaining part of the real property.

The claim for purchase of the remnant expires six years from the date on which the IPIP or RIPID became final.

No requests for purchase of remnants were received for the Investment. Discussions conducted with owners of expropriated properties also indicate that they do not plan to apply for the purchase of the remnants.

2.5.5 Deposit

Pursuant to Article 133 of the RPM, an Investor deposits the compensation amount in a court deposit pursuant to the Province Governor's decision obliging the Investor to pay the compensation into the deposit. That is considered tantamount to the satisfaction of the payment. This is applicable solely in two cases: when the entitled person refuses to accept the compensation or its disbursement encountered obstacles difficult to overcome (lack of legal capacity of the creditor, their prolonged absence from the country with no authorised representative established, natural disasters, marital law), and when the compensation for expropriation pertains to a property with an unsettled legal status (see a ruling by the Provincial Administrative Court in Lublin of February 25, 2005, case ref II SA/Lu 884/04).

The PAP can collect the amount deposited for a period of 10 years. If the amount is not collected, the deposited funds will pass to the State Treasury.

The need for compensation to be deposited has not arisen in relation to the Investment.

3 Involvement of the local community

3.1 PUBLIC CONSULTATION

The process of informing the community about the Project was conducted for the entire period of preparation for and implementation of the Contract, from the moment of applying for the decision on environmental conditions.

The local community was informed about the planned Contract at the stage of administrative procedures related to issuing the decision on environmental conditions, water permit decision, investment project implementation permit, road investment implementation decision for the construction project entitled: "Relocation of poviast road no. 3233D colliding with the construction of the Roztoki Bystrzyckie Reservoir". The entities responsible for informing the PAPs of these procedures were the competent authorities issuing the subsequent administrative decisions.

In the above-mentioned proceedings, information was communicated by way of announcements, posted on the websites of the authorities conducting the proceedings (Regional Directorate for Environmental Protection in Wrocław, Marshal of Lower Silesia Province, Starost of Kłodzko, Province Governor of Lower Silesia) and in the manner customarily accepted in the area, i.e. on publicly available notice boards in places where the Contract was implemented.

In addition, announcements were posted on the website and notice boards of the Międzylesie Town and Commune Office.

The local community was informed about the fact that RZGW WR submitted applicable applications, and that the relevant decisions indicated above were issued. This provided an opportunity for the parties to comment on any issues relating to the planned Contract.

After the decision was issued, the parties were also properly advised by the issuing authorities of their options for making an appeal, including the proper procedure and time limit for filing an appeal.

Furthermore, the PAPs owning properties within the Contract implementation area at the stage of commencement of the procedure for issuing the IPIP and ZRID, as well as after its completion, were notified by letter (registered letter with receipt confirmation) of the commencement and then completion of the procedure related to the acquisition of the properties for the benefit of the State Treasury.

Even before the start of the expropriation procedure, the Investor developed a Draft LARAP for the Task, which was subject to public consultation from 11/07/2016 to 11/28/2016 (inclusive). After a 21-day period of making the document available for viewing, a meeting open to all interested parties was held on 11/28/2016 at the Local Community Room at Roztoki 34, at which information on the Draft LARAP was presented and a public discussion on the document took place. The applications and comments made to the Draft prior to or during the debate were considered in the Final LARAP.

The final LARAP document, after obtaining the WB's no-objection, was made available to interested parties via the Investor's and OVFM PIU's website and remained there for the entire period of Contract execution. An information point on the Project was also in operation throughout the Contract period (details are given in point 3.3).

Prior to the commencement of works, the Investor, i.e. RZGW WR, conducted a broad information campaign about the planned execution of the Contract and about launching an information point for project affected persons (PAPs), where they could submit their applications and comments to the performed construction works and planned activities. An information brochure was prepared and sent to all PAPs with information on the possibility of lodging complaints (in accordance with the provisions of LARAP and GRM) and contact details were given. The brochure also contained a description of the procedure for acquisition of properties by the State Treasury and the rules for determining and paying compensation for the acquisition of rights to properties in accordance with the applicable laws and the World Bank's policy.

3.2 NEGOTIATIONS WITH PAPs

Negotiations with PAPs were conducted individually with a specific household, depending on the type of impacts on the household. All the interested persons had the right to participate in the negotiations, on equal bases. The areas of negotiations depended on the type of the affected good, what made it possible to satisfy the needs of each household regarding the impacts it is affected by:

- loss of land,
- loss of income,
- expiry of the lease contract
- other elements (e.g. subsidies and support, determining the real property ownership).

Due to the type of impacts, in relation to the said investment, negotiations pertained to the form of compensation, its amount and property occupation period. Other areas were not subject to negotiations, as this was not justified on a case-by-case basis.

After the IPIP decision was issued and became final and binding, the Investor started individual meetings with PAPs concerning the disbursement of compensations for expropriated properties. The Investor proposed compensation as per the amounts resulting from appraisal reports prepared at the Investor's request by an independent appraiser. Protocols agreeing upon the compensation were successfully signed in the majority of cases (see Chart no. 3).

During the negotiations the Investor, on a regular basis, was providing the PAPs with comprehensive explanations and information in order to guarantee that the agreements and settlements made are clear for all to whom they relate. The negotiation process was non-discriminatory and considered the rule of equality.

The objections made by the parties during the negotiations stage were archived in minutes of the meetings or in protocols from such negotiations. A list of the negotiation meetings held is shown in the table below.

Table 3 Summary of negotiation meetings held.

No.	Date of the meeting	Place of meeting	Subject of meeting
1	06/22/2017	Roztoki	Meetings with existing property owners to hand over appraisal reports and sign protocols of agreement on the amount of compensation for Roztoki 2.A.1/2.
2	06/23/2017	Roztoki	Meetings with existing property owners to hand over appraisal reports and sign protocols of agreement on the amount of compensation for Roztoki 2.A.1/2.
3	06/28/2017	Roztoki	Meetings with existing property owners to hand over appraisal reports and sign protocols of agreement on the amount of compensation for Roztoki 2.A.1/2.
4	07/05/2017	Roztoki	Meetings with existing property owners to hand over appraisal reports and sign protocols of agreement on the amount of compensation for Roztoki 2.A.1/2.
5	01/16/2018	Zdroje Forestry Roztoki	Meeting at the Zdroje Forestry on the agreement between the National Forest Holding State Forests and the Investor. Meetings with PAPs in Roztoki to sign protocols of agreement on the amount of compensation for temporary occupation.
6	01/25/2018	Roztoki	Meetings with property owners to sign protocols of agreement on the amount of compensation for temporary occupation for Roztoki 2A.1/2
7	02/15/2018	Roztoki	Meetings with PAPs (lessee) in Roztoki to sign protocols of agreement on the amount of compensation for temporary occupation and a meeting in the Międzyzlesie Commune.
8	03/25/2018	Roztoki	Providing PAPs with letters proposing payment of part of the compensation amount of 70%. This amount is initially equal to 70%

During the negotiations held, none of the PAPs decided to accept compensation in the form of "land for land". The PAP's preferred form of compensation was cash payments.

3.3 INFORMATION POINT

An information point was opened on 08/25/2017 at the House of Culture in Międzylesie in connection with implementation of the investment. At the information point, it was possible to obtain information on the process of determining and paying compensation, the occupation of properties or the progress of the investment. Information leaflets were available there and the construction design could be viewed. The information point was also provided with forms to submit complaints or comments related to the investment.

The point operated every Thursday between 4 and 6 pm. Due to a lack of interest by the PAPs, the information point was relocated to Bystrzyca Kłodzka in 2019 (after finishing the procedure for determining compensation at the Investor's level).

4 Administrative decisions awarded

For the Task in question, the Investor was awarded the following decisions in the area of environmental protection and water management:

- decision of the Regional Director for Environmental Protection in Wrocław of 12/18/2015, ref. WOOŚ.4233.1.2015.AW.23, specifying environmental conditions for the project entitled Construction of the "Roztoki Bystrzyckie" - a dry flood control reservoir on the Goworówka stream, Commune of Międzylesie, Lower Silesia Province;
- decision of the Mayor of the Town and Commune of Międzylesie of 01/15/2016, ref. ITiG.603.2-D.2015.2016, stating that there is no need to perform an environmental impact assessment for the project entitled Construction of the "Roztoki Bystrzyckie" - a dry flood control reservoir on the Goworówka stream, Commune of Międzylesie, Lower Silesia Province for relocation (disassembly and construction in the new location) of the poviast road no. 3233D Roztoki-Goworów-Międzylesie with the construction of the necessary descent ways for the investment;
- decision of the Marshal of Lower Silesia Province of 06/29/2016, ref. DOW-W-I.7322.34.2016.UU, granting a water permit for the construction of water facilities, for special use of water and for regulation of water under the implementation of the investment entitled "Construction of the "Roztoki Bystrzyckie" - a dry flood control reservoir on the Goworówka stream, Commune of Międzylesie, Lower Silesia Province".
- Decision of the Starost of Kłodzko of 08/25/2016, ref. OŚR.6341.93.2016.DW.ŚW2, granting a water permit for the task "Relocation of poviast road no. 3233D colliding with the construction of the Roztoki Bystrzyckie flood protection reservoir",

For the Task in question, the Investor was awarded the following decisions in the area of a permit for execution of works and for real estate issues:

- Decision no. 4/17 of the Province Governor of Lower Silesia of 05/05/2017, ref. IF.AB.7840.2.23.2016.JT about the investment project implementation permit for the

construction project entitled Construction of the "Roztoki Bystrzyckie" - dry flood control reservoir on the Goworówka stream.

- Decision of the Starost of Kłodzko no. 34/XIII/B/2017 of 04/27/2017 ref. ZPAiB.6740.13.71.2016.AB9 about a road investment implementation permit for the construction project entitled: "Relocation of powiat road no. 3233D colliding with the construction of the Roztoki Bystrzyckie Reservoir" for construction of a new section of powiat road no. 3233D with a length of 1.24 km, for construction of a new bridge over the designed new section of powiat road no. 3233D at km 0+877.8 of the Nowinka stream, for renovation of powiat road no. 3233D at the distance of 0.26 km,

5 Register of expropriations – data analysis

5.1 RESERVOIR

The IPIP decision no. 4/17 of 06/05/2017 identified the properties subject to permanent occupation and necessary for investment implementation: a total of 60 plots were identified with the area of 83.1224 ha (see Appendix 2), of which 26 properties belonged to private persons (44%), and the remaining 34 properties belonged to other entities according to Chart no. 1 below. The total area of permanent occupation is 83.1224 ha, of which 36.8613 ha of the area belonged to natural persons.

The areas taken over for the purpose of investment implementation from the existing owners: 98% – agricultural land, mostly arable land, meadows, pastures and 2 % accounts for residential but undeveloped land. A site visit conducted at the stage of preparing the socio-economic study did not reveal any other use of the land than that indicated in the land and building register.

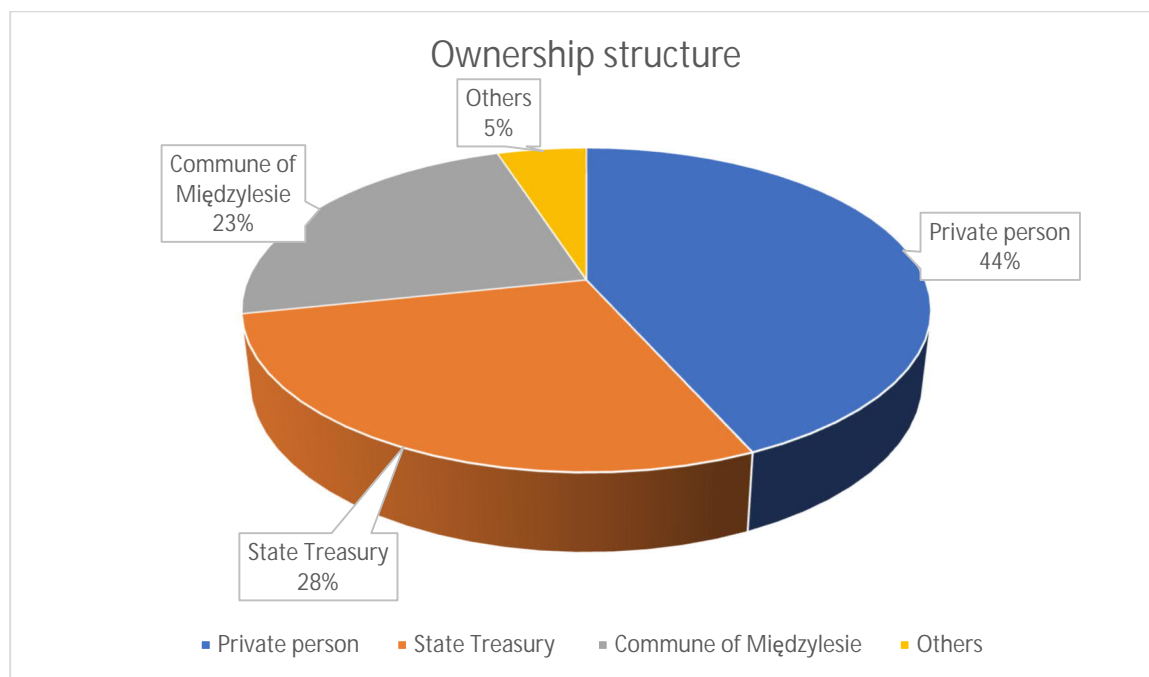


Chart 1 Ownership structure of properties (permanent occupation) covered by the scope of the investment, flood protection reservoir.

According to the provisions of the IPIP decision, the State Treasury acquired 60 plots under the above-mentioned decision. However, it was established in the course of compensation proceedings that 17 plots of the above-mentioned 60 plots had already been the property of the State Treasury before issuing the IPIP decision (the land had never been privately owned, nor had it changed ownership in connection with the planned implementation of the Project). To sum up, 60 plots (26 private plots – 44%, 23 plots from the resources of the Międzyzlesie Commune – 28%, 3 plots of the Roman Catholic Parish – 5 %) were taken over for the State Treasury's ownership under the IPIP decision and compensation was paid for acquiring a property title for the real estates by the State Treasury.

5.2 ROAD

An analogous analysis was made in connection with the implementation of a road investment, i.e. Decision ZRID no. 34/XIII/B/2017 of 04/27/2017, on the basis of which 13 properties were subject to permanent occupation, of which 2 belonged to private persons (15%), 2 plots of the Commune of Międzyzlesie (15%) and the remaining 9 plots to the State Treasury, as shown in Chart no. 2 below. The total area of permanent occupation connected with the road investment is 3.8225 ha, of which 0.0265 ha of the area belonged to natural persons.

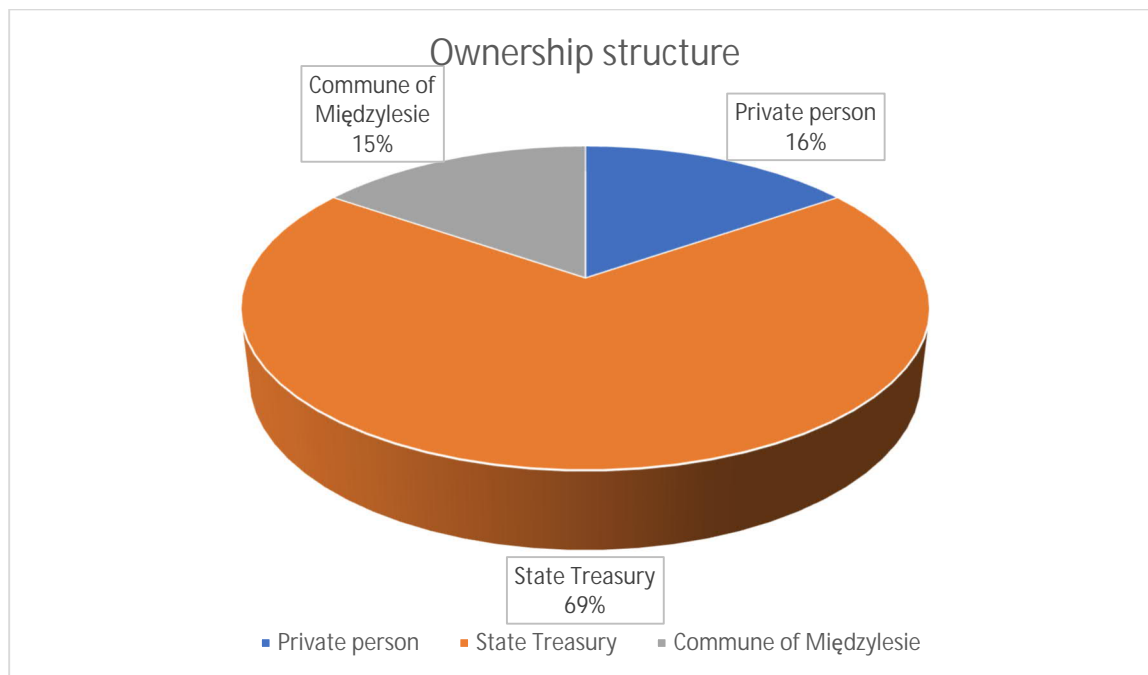


Chart 2 Ownership structure of properties (permanent occupation) covered by the scope of the investment, road.

Detailed information on the number of plots, their area and ownership is included in the summary table attached as Appendix 2.

The rules arising from Polish legislation, World Bank's policy OP 4.12 and the LARAP were complied with during the execution of works. This applied to the acquisition of properties necessary to implement the Contract and to the manner of executing the works, which minimised adverse impacts on project affected persons. The guiding principle of the activities was to achieve the effect of improving or at least restoring the PAPs' living conditions, and assuring long-time balanced use of environmental resources within that area.

The rules applied in the process of land acquisition and resettlement are in conformity with assumptions given in the general OFVMP program document, so-called Land Acquisition and Resettlement Policy Framework (LARPF), available at:

<https://odrapcu.pl/dokumenty/ramowy-dokument-dotyczacy-przesiedlen-i-pozyskiwania-nieruchomosci>.

6 Compensation and mitigation measures for impacts of the Task

6.1 PERMANENT OCCUPATION

6.1.1 Reservoir

The Investor took steps without delay to pay the compensation due to property owners, acting in accordance with Polish law and OP 4.12 operational policy. Compensation was paid between June 2017 and October 2022.

The total compensation agreed by the Investor and established by a decision of the Province Governor and paid directly to PAPs (Private persons, Roman Catholic Parish and the Commune of Międzylesie) for 43 plots with the area of 50.4037 ha amounted to PLN 6,877,757.19.

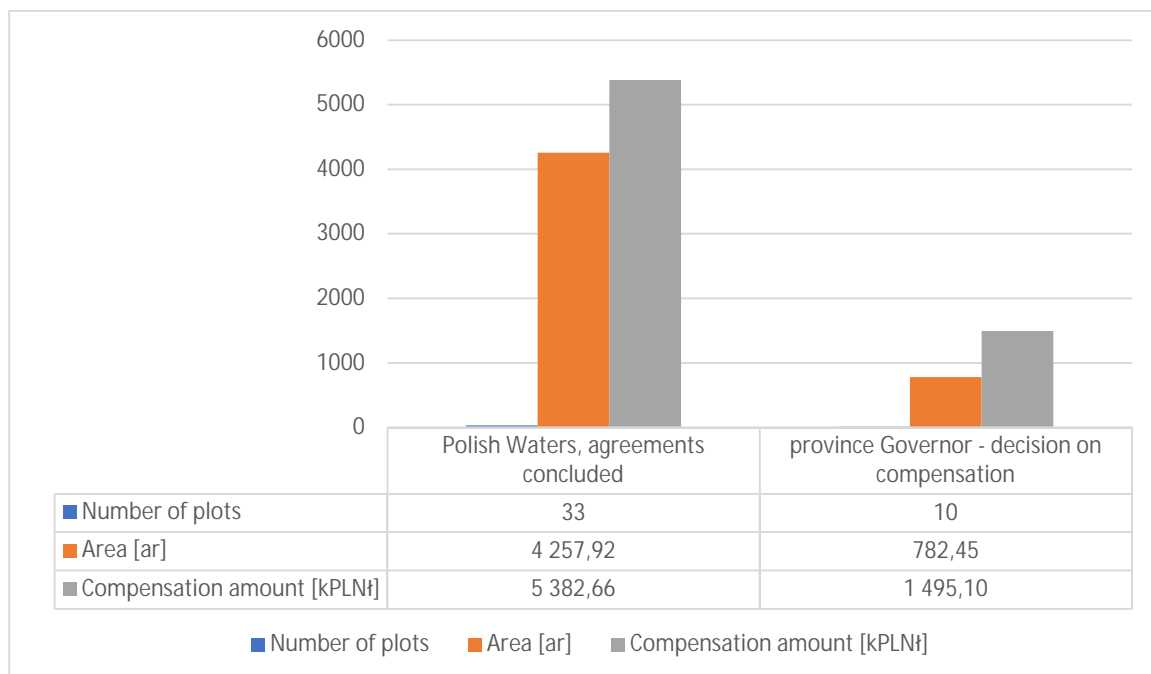


Chart 3 Information on compensation payment per the form of its payment.

As per the WB's Operational Policy OP 4.12, compensations were mostly paid prior to the commencement of construction works, i.e. 01/25/2018. For 10 properties (5 households), after an unsuccessful attempt to agree on the amount of compensation, the cases were referred to the Province Governor of Lower Silesia for settlement in accordance with applicable legislation and the provisions of the LARAP (see Chart 3).

With regard to these 10 properties (see Table 4), due to a prolonged procedure for the issuance of a decision determining the compensation amount, the Investor proposed corrective measures to PAPs, i.e. to pay compensation for the expropriated property amounting to 70% of the property value determined in the appraisal report prepared at the Investor's order (regardless of the pending administrative proceedings to determine the compensation amount). This undisputed part of

compensation was paid for under an agreement between the PAP and the Investor. Physical execution of works on the property did not begin until after the proposal was received by the PAP to pay this undisputed part of the compensation. The Province Governor of Lower Silesia, by way of an administrative decision, established compensation for such proceedings at the amount of PLN 1,495,097.19.

Table 4 Cases referred to the Province Governor

No.	Owner	Precinct	Plot no. after division	Explanation - case passed to Lower Silesia Provincial Office (DUW)	Proposal for payment of 70%	Disbursement of compensation
1	Household no. 1	Gajnik	207/1	The Investor could not pay compensation to the PAP due to the mortgage. The case was referred to the DUW to establish the creditor. The Governor decided that all claims are settled. Compensation was fully paid to the PAP.	70% was not accepted	Decision of the Province Governor of 06/26/2018 to determine the amount of compensation in amount of PLN 20,920.20.
2	Household no. 2	Roztoki	224	Lack of the owner's consent for the compensation amount.	70% was accepted	Decision of the Province Governor of 04/13/2018 to determine the amount of compensation in amount of PLN 403,042.04.
3		Roztoki	216/3		70% was accepted	
4	Household no. 3	Roztoki	256	Due to the unresolved inheritance proceedings, the Investor has referred the case to DUW. During the administrative proceedings, the PAP conducted the inheritance proceedings and compensation was paid to the heir.	70% was accepted	Decision of the Province Governor of 06/03/2019 to determine the amount of compensation in amount of PLN 149,900.00.
5		Roztoki	257		70% was accepted	
6	Household 4	Roztoki	213	Lack of the owner's consent for the compensation amount. PAP accepted the amount proposed by DUW	70% was not accepted	Decision of the Province Governor of 04/11/2018 to determine the amount of compensation in amount of PLN 849,952.95
7		Roztoki	216/1		70% was not accepted	
8		Roztoki	217/1		70% was not accepted	
9	Household 5	Roztoki	255/1	Lack of the owner's consent for the compensation amount. PAP accepted the amount proposed by DUW	70% was not accepted	Decision of the Province Governor of 04/12/2018 to determine the amount of compensation in amount of PLN 71,900.00
10		Roztoki	255/2		70% was not accepted	

In 38 cases, the compensation was increased by a bonus, i.e. an additional 5% (for a total amount of PLN 291,035.50); this concerned cases where the owners released the property within 30 days

counting from the date of receiving a notice of awarding the IPIP decision. The basis and regulation of the right to increase the remuneration in connection with the release of the property is regulated by the provisions of the Special Act (this matter is described more broadly in Chapter 8 of the LARAP). PAPs were informed of the possibility of increasing the compensation during the negotiations and in a leaflet provided to them during the information campaign.

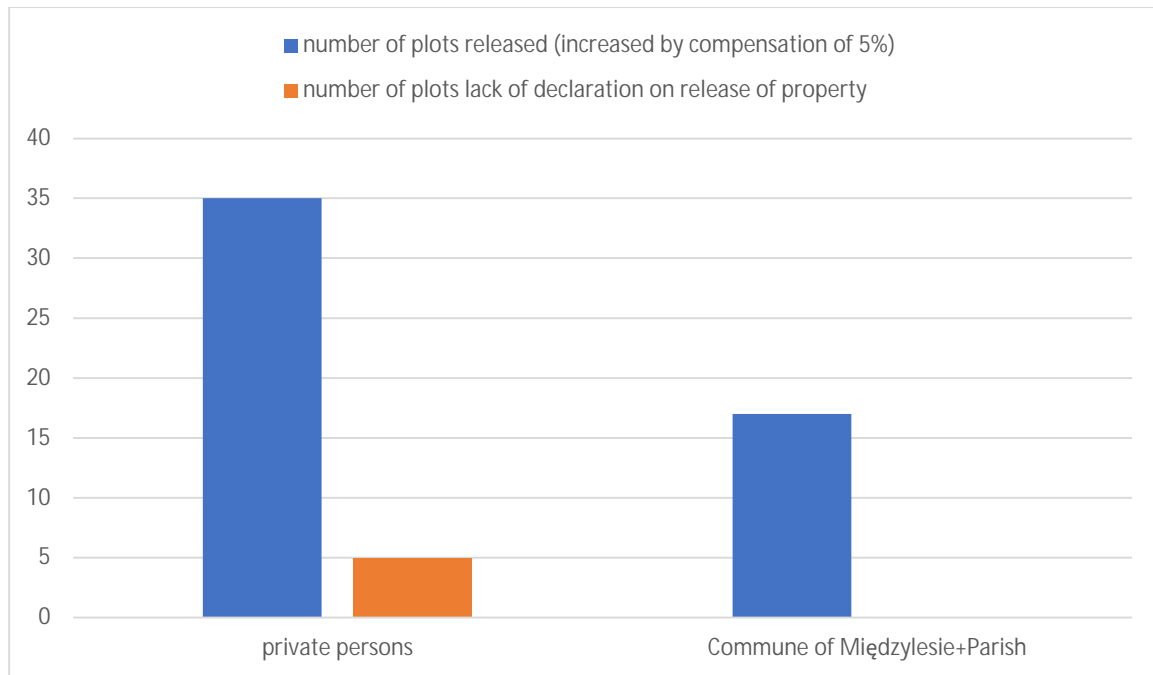


Chart 4 Number of declarations on release of properties in relation to plots.

During the consultation and negotiation process (see point 3 of the Report), PAPs were informed about the possibility of applying for the purchase of the remaining part of the property (so-called "remnant"). Such purchase is in principle possible if after the division of the property and occupying part of it for the investment, the remaining part will not be suitable for further use for the existing purposes (as per Article 23(2) of the Special Flood Act). None of the PAPs have applied to buy back the remnants.

In summary, all compensation for the properties expropriated under the Project has already been paid to PAPs.

6.1.2 Road

The amount of compensation itself was determined by a decision of the Starost, in accordance with the provisions of the Special Road Act.

Compensation for the properties expropriated under ZRID was paid by the Poviats of Kłodzko to the benefit of which the expropriation had taken place. Accordingly, an agreement was entered into between the Poviats of Kłodzko and the Investor obliging the Poviats to apply the principles of the LARAP and OP 4.12 in the procedure for determining and paying compensation and laying down the principles for incurring the related costs. The conclusion of this agreement was voluntary and followed negotiations between the Poviats and the Investor on 01/30/2017. The agreement determined the

conditions for the transfer of funds by the Investor for the payment of compensations. The principles of cooperation were also stipulated in the agreement between the Investor and the Poviats for the implementation, monitoring and reporting for the World Bank's verification of the correctness of implementation of this LARAP.

The total compensation was established under the decision of the Starost and paid to PAPs (private persons, Commune of Międzyzylesie, KOWR³) for 10 plots with the area of 2.7389 ha and amounted to PLN 639,000.00.

In summary, all compensation for the properties expropriated under the Project has already been paid to PAPs on time and in accordance with the principles described in this LARAP (either compensation or a proposal to pay an advance for the compensation was received by the PAPs before they physically entered the property; see chapter 2.5.1 in this regard).

Detailed information on the number of plots, their area and ownership is included in the summary table attached as Appendix 2.

6.2 TEMPORARY OCCUPATION

6.2.1 Reservoir

It was assumed in the LARAP for the purpose of Task implementation that it is necessary to acquire 77 plots with the total area of 2.7923 ha for temporary occupation related mostly to the reconstruction of a fibre optic network. The design was reviewed in the course of LARAP implementation and it was found that the fibre optic network initially planned for reconstruction was in satisfactory technical condition. It was therefore decided to abandon the reconstruction of this network and the associated planned need for temporary occupation of the property.

In the end, only a small part of the property belonging to 5 natural persons (1 property), located in the immediate vicinity of the national road, was temporarily occupied (the remaining 9 properties belong to the State Treasury). The occupation of this part of the property did not in any way affect the ability to use the entire property, nor did it affect PAP's income. No infrastructure or planting was located on the occupied parts of the property. Upon completion of the investment implementation, the surface of this property was restored to its condition prior to the commencement of the Task. It should also be pointed out that PAPs have received compensation in relation to the occupation of the property on the basis of the rules set forth in the LARAP. The owners of the mentioned plot are also entitled to receive compensation for encumbering their property under the PR. The compensation will be paid by the Investor under a decision of the Province Governor of Lower Silesia. The case is currently in progress.

Detailed information on the number of plots, their area and the purpose of temporary and permanent restriction is included in the summary table attached as Appendix no. 2.

³ As a result of an amendment to the act, on September 1, 2017 the Agricultural Property Agency was transformed into the National Support Centre for Agriculture

6.3 SUMMARY

Impacts were identified on the basis of conducted field studies, public meetings and individual meetings with PAPs held within the framework of the commitment of interested parties into the LARAP preparation process. These impacts are described in detail in the LARAP. The exact number of people affected by the expropriation procedure was determined. The implementation of the Task had no significant impacts. The impacts identified are described in the table below. No household was physically resettled. There was no economic resettlement, either.

Survey studies were conducted at the turn of November and December 2023 through personal contact with the PAPs. An attempt was made to reach 19 respondents. In the end, 13 completed questionnaires were collected from those affected by the project (PAP). The results of the studies are described in chapter 8.2, 8.3.

During the negotiations held, none of the PAPs decided to accept compensation in the form of "land for land", the preferred form of compensation was cash payment.

Below is a table describing the occurrence of impacts during the preparation of the LARAP and the results of impacts after the completion of the compensation payment process.

Table 5 List of households - description of LARAP implementation.

No. No.	Household no.	Precinct	Sheet	Stand No. before the division	Stand no. after division (N - N/A) For development, after division (N - N/A)	Results of socio-economic study (LARAP) Remarks	Total area of the plot before the division [ha]	Area of permanent occupation [ha] (N - not applicable)	% share of permanent occupation (expropriated) to the total area of the plot before the division	Impact S- severe M - minor	Purpose of use	Detailed description of LARAP implementation
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Household no. 1 (as per Tab.4)	Gajnik	1	207	207/1	Household of 4 persons, income: agricultural and agro-tourism activities. Status of ecological farm. The expropriated plot is included in the agricultural and environmental programme.	7.2000	0.1324	1.84%	M	Wooded and bushy land on arable land	At the design stage, the degree of expropriation was significantly reduced, thus avoiding economic resettlement. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. PAP is not satisfied with the construction of the reservoir or the compensation paid. At the study stage, he raised objections to the construction of a dry reservoir and wanted a wet reservoir to be built (this would influence positively the value of his farm). The project did not affect the household's income.
2	Household no. 2 (as per Tab.4)	Roztoki	1	224	N	Household - 5 people, including elderly and children. Income: salaried work, KRUS pension Only part of activity - hay harvesting - carried out in the Reservoir area. The crops are located in an area outside the Reservoir.	0.7400	0.7400	100.00%	M	Arable land	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. It was not possible to conduct an ex-post survey
3		Roztoki	1	216/3	N		1.3000	1.3000	100.00%	M	Permanent meadows	
4	Household no. 3 (as per Tab.4)	Roztoki	1	256	N	Household - 2 elderly persons Income: The owner had spent most of her life living in Australia; returning to Roztoki, her home country, was intended as a retirement plan. The household's main source of income is rental income from property. The owner died in the process of obtaining IPIP decision	0.3700	0.3700	100.00%	M	Arable Land, Meadows, Pastures	The heir conducted the inheritance proceedings during the implementation process. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. It was not possible to conduct an ex-post survey.
5		Roztoki	1	257	N		0.6200	0.6200	100.00%	M	Permanent meadows	
6	Household no. 4 (as per Tab.4)	Roztoki	1	217/1	N	Household with 2 adults. Income: old-age pension, disability pension, farm - approx. 20%. Hay is harvested in the area subject to occupation (small annual income). Other agricultural activities (land cultivation, chicken farming) carried out outside the occupation area.	1.1000	1.1000	100.00%	M	Arable land	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP shows that the construction of the reservoir has had a very positive impact on the PAP and his relatives, and has improved living conditions.
7		Roztoki	1	213	N		2.0300	2.0300	100.00%	M	Arable land	
8		Roztoki	1	216/1	N		1.1500	1.1500	100.00%	M	Pastures, Wooded and bushy land	
9	Household no. 5 (as per Tab.4)	Roztoki	1	255	255/1	Two-person household, beekeeping activity carried out (hobby). Sources of livelihood: paid work, old-age pension.	5.3900	0.1644	3.05%	M	Pastures, Arable land	PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. See 8.3 of the Case Study for detailed description.
10		Roztoki	1	255	255/2		5.3900	0.2177	4.04%	M	Pastures, Arable land	
11	Household no. 6	Roztoki	1	223	N	Household - 4 adults. Main sources of livelihood: paid work, old-age pension and farm (20%). There is a meadow in the Reservoir area - a source of hay for sale. Main agricultural activity carried out outside the Reservoir area.	1.2200	1.2200	100.00%	M	Arable land	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP export shows that the construction of the reservoir has had a very positive impact
12		Roztoki	1	216/2	N		0.6000	0.6000	100.00%	M	Pastures, Permanent meadows	

No. No.	Household no.	Precinct	Sheet	Stand No. before the division	Stand no. after division (N - N/A) For development, after division (N - N/A)	Results of socio-economic study (LARAP) Remarks	Total area of the plot before the division [ha]	Area of permanent occupation [ha] (N - not applicable)	% share of permanent occupation (expropriated) to the total area of the plot before the division	Impact S- severe M - minor	Purpose of use	Detailed description of LARAP implementation
13		Roztoki	1	231	N		1.4800	1.4800	100.00%	M	Arable land, Permanent meadows, Wooded and bushy land-arable land	on the PAP and his relatives, and has improved living conditions.
14	Household no. 7	Roztoki	1	217/2	N	Household - 3 adults. Income: old-age pension. The land occupied by the Reservoir is 20% of this household's total agricultural land, but as much as 45% of the arable land. Crops grown on non-occupied land include mustard and potatoes. The representative of the farm, in connection with the expropriation procedure, manifests far-reaching concerns regarding the loss of a significant part of the income and the decrease in the total value of the farm itself.	1.8000	1.8000	100.00%	M	Arable land	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP export shows that the construction of the reservoir has had a positive impact on the PAP and his relatives. Despite pre-construction doubts about the facility, the PAP did not confirm that their concerns were correct. According to PAP, the compensation definitely allowed to cover the impacts of the loss of property.
15	Household no. 8	Roztoki	1	228	N	Household - 9 persons. Income: agricultural farm, old-age pension	0.9800	0.9800	100.00%	M	Permanent meadows, Wooded and bushy land - permanent meadows	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP shows that the construction of the reservoir has had a very positive impact on the PAP and their relatives, and has improved living conditions. According to PAP, the compensation definitely allowed to cover the impacts of the loss of property.
16		Roztoki	1	221	N		0.6500	0.6500	100.00%	M	Permanent meadows, Wooded and bushy land - permanent meadows	
17	Household no. 9	Roztoki	1	347	N	Household - 2 adults (1 elderly). Income structure: old-age pension, agricultural activities. The predominant part of agricultural activity located outside the occupation areas. There is a pasture used for grazing cattle (4 cows and calves) on the area planned for the Reservoir.	1.3600	1.3600	100.00%	M	Wooded and bushy land-Pastures, Arable land, Pastures	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP shows that the construction of the reservoir has had a very positive impact on the PAP and their relatives, and has improved living conditions. According to PAP, the compensation definitely allowed to cover the impacts of the loss of property.
18	Household no. 10	Michałowice	1	136	136/1	Household of 4 people, located 60 km outside the Reservoir area. Income: agricultural farm, paid work. Plots subject to direct subsidies; bank mortgage established. Plots used for cultivation.	14.5000	2.8140	19.41%	M	Permanent meadows, Forests and forest land, Wooded and bushy land - permanent meadows, Arable land	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. It was not possible to conduct an ex-post survey.
		Michałowice	1	139	139/1		5.1969	2.6267	50.54%	M	Arable land, Permanent meadows, Wooded and bushy land - permanent meadows	
19	Household no. 11	Roztoki	1	242/2	242/12	Household of 6 persons. Income: no details available; the farm is one source of income. Ecological farm, covered by direct payments and ecological subsidies.	0.2900	0.1630	56.21%	M	Permanent pastures Arable land	PAP did not opt for a replacement plot of land only for monetary compensation. The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the

No. No.	Household no.	Precinct	Sheet	Stand No. before the division	Stand no. after division (N - N/A) For development, after division (N - N/A)	Results of socio-economic study (LARAP) Remarks	Total area of the plot before the division [ha]	Area of permanent occupation [ha] (N - not applicable)	% share of permanent occupation (expropriated) to the total area of the plot before the division	Impact S- severe M - minor	Purpose of use	Detailed description of LARAP implementation
												LARAP. An ex-post survey from the PAP shows that the construction of the reservoir has had a very positive impact on the PAP and their relatives, and has improved living conditions. According to PAP, the compensation definitely allowed to cover the impacts of the loss of property.
20	Household no. 12	Roztoki	1	230	230/1	Household - 5 persons. Income: agricultural farm. A smaller part of the farm is located on the area designated for Reservoir construction.	58.1800	12.7803	21.97%	M	Arable land, Forests and forest land, Permanent meadows, Pastures	PAP did not opt for a replacement plot of land only for monetary compensation The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP shows that the construction of the reservoir has had no impact on the PAP and their relatives, however has improved the living conditions and livelihoods of the household. According to the PAP, the compensation allowed to cover the impacts of the loss of property.
21	Household no. 13	Roztoki	1	242/7	242/11	Household - 3 persons. Income: agricultural farm. Plot classified as a building plot. Ultimately, a single-family house was to be built on it, into which the household was to be relocated.	0.0889	0.0775	87.18%	M	Building plot	PAP did not opt for a replacement plot of land only for monetary compensation The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. An ex-post survey from the PAP shows that the construction of the reservoir has had no impact on the PAP and their relatives, however has improved the living conditions and livelihoods of the household. According to the PAP, the compensation allowed to cover the impacts of the loss of property.
		Roztoki	1	242/7	242/10		0.0889	0.0114	12.82%	M	Building plot	
22	Household no. 14	Roztoki	1	240	240/2	Household of 1 person, permanently resident in Australia. The land is managed by the father. In total, the owner and his father have 38ha of variously classified land, located in Roztoki Bystrzyckie, Goworowo and Nagodzice. One plot covering about 70 acres is being expropriated.	0.7000	0.0151	2.16%	M	Arable land, Wooded and bushy land-Pastures	PAP did not opt for a replacement plot of land only for monetary compensation The project did not affect the household's income. PAP received full payment of compensation prepared and paid in accordance with the procedure described in the LARAP. It was not possible to conduct an ex-post survey.
		Roztoki	1	240	240/1		0.7000	0.6800	97.14%	M		

Details for payment of compensation are presented in Appendix no. 2 of the Final Report.

Table 6 Summary of costs of implementing the LARAP

Item	Quantity	Amount
Compensation for permanent occupation (IPIP)	50.4037ha	PLN 6,849,897.19
Compensation for permanent occupation (ZRID)	0.0770ha	PLN 639,000.00
Compensation for temporary occupation obtained by the Investor (IPIP)	10 properties (1 property - private persons)	5,295.00
Compensation for permanent restriction by the Investor (PNRI)	(1 property - of private persons)	Estimated amount pf PLN 5,000
Compensation for expiry of lease contract	11 properties (1 private person)	27,860.00
Compensation packages	N/A	-
Court costs	N/A	-
TOTAL		7 522 527 052.19

The sources of finance for the costs of implementing the LARAP indicated in table no. 5 were funds from the International Bank for Reconstruction and Development, the Council of Europe Development Bank and the State Budget. Compensation was paid by the Investor, i.e. RZGW WR, by transfer from RZGW WR's account to the designated bank account of PAP or to the deposit account of the Ministry of Finance.

The unpaid funds are secured in the Investor's budget, the amount will be paid to PAP after the decision establishing compensation is issued.

The total amount of compensation for expropriated properties as of the date of preparing this Report is PLN 7 522 527 052.19⁴.

7 Operation of the Grievance Reporting Mechanism (GRM)

7.1 DESCRIPTION OF GRM

The mechanism for submitting grievances and requests pertaining to the conducted building and assembly works by the Contractor was implemented at the beginning of the whole process and was binding throughout the entire period of Contract preparation and implementation, until its closure.

This system was established in the LARAP. It was intended to ensure transparency, accountability and efficiency in dealing with any comments, objections or concerns raised by those interested or affected

⁴ The amount resulting from the appraisal reports prepared and from decisions determining the amount of compensation issued by the Province Governor.

by project activities. The system complied with the requirements of national legislation, OP 4.12 and the principles of good practice in social management.

Complaints and requests could be submitted by anyone who thought that they had been or might be negatively affected by project activities or who had any questions, suggestions or proposals for the project. Complaints and requests could be submitted in any form: written, electronic, oral or telephone. Complaints and requests were registered and forwarded to the relevant entities for handling and providing response.

Complaints and requests could be made in the following ways:

- by e-mail to oppkk@wroclaw.rzgw.gov.pl
- verbally for the record or in writing to RZGW WR addresses indicated in the LARAP,
- by telephone at the numbers indicated in the LARAP,
- by telephone to the numbers of members of the LARAP implementation team given in the LARAP and information leaflets,
- in person at the information point in Międzyzylesie, and then in Bystrzyca Kłodzka, PORR's construction office in Roztoki.

7.2 OPERATION OF GRM IN PRACTICE

No complaints or requests related to Task implementation were received within the Investor's internal GRM system during Task execution. It should be noted that for other Tasks implemented under the same principles, the receipt of complaints and requests was recorded. Considering the results of the qualitative study of the LARAP implementation process, it is reasonable to conclude that the lack of impact of complaints, requests and comments is the result of a very good level of implementation of the information campaign and a high level of public satisfaction with the LARAP implementation process.

7.3 CONCLUSIONS

The GRM system was not used in practice by the local community. Given the result of the qualitative study and the experience of the analogous GRM system that operated for the other reservoirs in the Kłodzko Valley, it should be pointed out that this is not the result of a faulty design of this system, which was successfully used for the other reservoirs. This is probably due to the fact that the implementation of the Roztoki reservoir was characterised by low social impact and no physical or economic resettlement.

8 Monitoring of LARAP implementation

8.1 METHODOLOGY AND INDICATORS

The monitoring of the implementation of the Land Acquisition and Resettlement Action Plan for the Task was an integral part of the monitoring and management system for the Project as a whole. Its purpose was to track progress in the implementation of the LARAP and to provide up-to-date information on problems, risks and irregularities.

Tools dedicated to the entire project were used to monitor LARAP implementation, which allowed for systematic reporting and provision of up-to-date information to the Project Coordination Unit and the World Bank. However, a key tool, dedicated specifically to the LARAP and used for regular monitoring, was the Consultant's LARAP implementation monitoring register. In the register, the Consultant, based on its own information as well as that received from the Engineer's team and the Project Implementation Unit, recorded events and facts relevant to the acquisition of the property (obtaining IPIP, ZRID decisions, conclusion of compensation agreements, payment of compensation, issuance of compensation decisions, filing of comments/complaints by the PAP, etc.). The register was kept up to date.

Parameters such as the number of properties to be expropriated and expropriated, the number of people affected by project implementation, the amounts spent for the resettlement process, compensation disbursed for loss of legal title to a real property were systematically monitored, allowing to provide a complete picture of the progress. A detailed list of monitored indicators and the values achieved for them is presented in the table below:

Table 7 List of monitored indicators and the values

Indicator	Information source	Frequency of monitoring	Indicator
Number of properties subject to permanent restrictions	IPIP/ZRID decisions	Once after the decision is issued	10 pcs.
Number of properties subject to temporary occupation (acquired by the Contractor)	Contractor's registers	During the period of temporary occupation	0 pcs.
Number of project affected persons (PAP): - owners - perpetual users - autonomous possessors - others (if any)	Land and mortgage registers, extracts from the land and building registers, IPIP/ZRID decisions, decisions on the amount of compensation	Once after the decision is issued Ongoing updates during the process of negotiating and disbursing compensation	33 persons
Amount of total expenditures related to LARAP implementation	Investor's financial registers	Entire time of implementation	PLN 7,522,599.75
Number of acquired properties	Investor's/Consultant's registers	Entire time of implementation	73 pcs.
Number of properties subject to temporary occupation and returned to owners in good condition	Investor's/Consultant's registers	Entire time of implementation	10 pcs.
Number of grievances	Investor's/Consultant's registers	Entire time of implementation	0 pcs.

This report adopts a methodology for assessing the effectiveness of LARAP implementation based on actual indicators and monitoring results. Evaluation parameters included, inter alia, the number of properties expropriated, the number of project affected persons, the amount of resettlement expenditures, compensations paid, the number of properties acquired and the number of complaints. A comparison was made between the indicators actually monitored and those assumed at the planning stage. This made it possible to assess whether the project was implemented as intended.

The effectiveness of LARAP implementation was assessed on the basis of the collected data and indicators, as well as the degree to which the protective measures and planned objectives were achieved.

A survey study was also conducted for the purpose of preparing the final report to collect data and opinions from PAPs in order to assess the effectiveness and efficiency of the task and to obtain additional information about the project. The survey was intended to provide information that could be included in the final project report.

Survey studies were conducted at the turn of November and December 2023 through personal contact with the PAPs. An attempt was made to reach 19 respondents. In the end, 13 completed questionnaires were collected from those affected by the project (PAP). Additional interviews were conducted with respondents in addition to completing the questionnaires. These additional interviews were aimed at obtaining more detailed information and clarification of their opinions and experiences related to the project.

A sample questionnaire used in the study is attached as Appendix no. 4 to the final project report. The questionnaire includes questions on various aspects of the project and an assessment of its impact on PAPs.

A questionnaire was also carried out with the Mayor of Międzyzylesie and a questionnaire with the Village Administrator of Roztoki, as representatives of the local community affected by the construction of the reservoir.

The results of the conducted survey study and additional discussions with PAPs were used to evaluate the project's effectiveness and efficiency.

8.2 IMPACT OF THE PROJECT ON PAPs AND LOCAL COMMUNITY

The following positive impacts resulting from the Task implementation can be identified in terms of impact on the local community:

1. Protection of human life and health – owing to the Project, about 1,230 residents living in the area along the Nysa Kłodzka and Bystrzyca Dusznicka rivers have been protected against the threat of flooding. This has greatly increased the safety and sense of stability of the local community. Residents do not have to fear sudden floods, which could previously cause significant damage.
2. Protection of property and infrastructure – thanks to the Project implementation, flood protection has increased whilst the risk of significant material losses associated with the occurrence of flooding in the areas along the Nysa Kłodzka and Bystrzyca Dusznicka has decreased. This makes it possible to ensure uninterrupted professional/economic activity and

residents' access to social infrastructure, services and technical infrastructure in the area, even in the event of a storm surge.

The number of resettlements and the number of temporary occupation of properties have been kept to a minimum during the development and implementation of the LARAP. This was beneficial for the residents, who were not affected by the impacts related to property occupation.

The project had no impact on incomes of households. This means that residents have not experienced significant financial losses due to the project. This has helped to maintain economic stability in the local community.

All residents affected by the acquisition of their properties received full compensation payments prepared and paid in accordance with the procedure described in the LARAP. A qualitative study (survey) confirmed the effectiveness of the compensation measures carried out. In only two cases did local community members consider that the compensation received did not allow them to compensate for the losses incurred due to the permanent occupations. It is important to highlight with regard to these two PAPs that their level of dissatisfaction stems from their individual experiences and perspectives, which differ from those of other residents. These differences may be due to decisions taken by these individuals individually and independently of RZGW WP in the process of determining compensation. This, in turn, can influence the perception of the entire expropriation process as unfair or inefficient. When comparing the questionnaires obtained from the PAPs on an ex-post basis with the analyses made in the socio-economic study, it can also be seen that those residents who had expressed concerns about the investment before it was implemented and declared a more emotional connection to their farm (even in the case where only a small part of the farm is expropriated) are less satisfied with the amount of compensation.

The following conclusions can be drawn for the impact on PAPs and the course of the implementation process of the LARAP:

- the construction of the reservoir has had neither a positive nor a negative impact on the local community,
- residents did not have significant concerns before construction started,
- no concerns about the Task arose in the local community after the start and implementation of construction,
- reservoir construction has not affected the socio-economic situation of households or sources of income,
- information on compensation measures and the effects of the reservoir construction was considered sufficient,
- the level of information on the effects of construction and available compensation measures varied among respondents. Some felt that they had received sufficient information, while others were unaware of the existence of the LARAP or did not remember that such a document existed,
- PAPs received compensations within the agreed timeframe,
- PAPs knew where to go in case of problems or complaints related to the Investment,
- many people did not remember receiving information concerning the timetable of classes, which may suggest that communication in this regard was insufficient.

8.3 CASE STUDY

The case studies present the case of one resident whose responses in the survey study differ significantly from those of the other PAPs. This case will then be used to formulate recommendations for the implementation of future LARAPs.

The PAP operated a beekeeping farm, on a partially expropriated area (3.58% of the farm) on which he grew honey crops. He had 25 hives on his farm, which housed around 800,000 bees. Ultimately, the PAP planned to expand the apiary to 60 hives. The PAP's main sources of income were paid work in Germany and income from old-age pension. Bee keeping was carried out purely for recreational purposes (as a hobby). Hence, the expropriation of part of the property had no impact on the PAP's revenues. There was also no physical resettlement, either. At the stage of LARAP preparation, the impacts on the PAP's farm were considered to be minor.

However, during a conversation with a representative of the household owning the apiary, it was repeatedly raised that the expropriation of the land represents a very serious inconvenience and entails a profound revision of future plans (despite the approx. 3% occupation). A further hindrance in the discussions with the owner was the fact that he did not consider the possibility of moving the apiary to another location.

The PAP received an individual invitation to public consultation and a leaflet detailing the procedures for determining and paying compensation.

Due to the low impacts, the Investor has proposed monetary compensation to the PAP. However, the PAP refused to accept compensation in the amount proposed by the Investor and the case went to the Province Governor for resolution.

In the meantime, the Investor has offered to pay the PAP the undisputed part of the compensation (70% of the value determined by the expert), but PAP has refused to accept it. The case before the Province Governor went on for a long time. The PAP obtained compensation in an amount greater than that proposed by the Investor.

The survey evaluating the implementation process of the LARAP reveals that the PAP is not satisfied with the process of determining the compensation, as well as with the compensation received. The PAP assessed the Task as negative. In his view, the Reservoir has no added value for him or the community, has negatively affected his life and he is not satisfied with the compensation he has received. Also, the manner of interaction with stakeholders was assessed negatively by the PAP despite the fact that the PAP received a personal invitation to an information meeting concerning the LARAP, an information leaflet on the procedure for determining compensation. The Investor, to meet the PAP's expectations, also met personally with the PAP to determine the amount of compensation and possible compensation measures. Despite the above steps, the PAP found that the information he had received was inadequate and the way the LARAP was implemented was inappropriate. The PAP indicated that he was not aware of the preparation of the LARAP and the procedures established therein.

It is clear from the description provided that from the beginning of the Project preparation there were clear differences in the situation and needs of the above-mentioned PAP compared to the other residents affected by Task execution. From the outset, these differences were taken into account and it was ensured that the approach to the PAPs was tailored to their needs. This ensured that all PAPs were treated with respect and fairness and that the expropriation process was based on principles of justice. The outreach process (contacts) was duly documented and the PAPs, despite their initial

reservations and final negative attitude towards the Project during the implementation of the LARAP, did not make any complaints or requests.

In the case under review, the PAP has a strong emotional attachment to his apiary, which implies a lack of objectivity in assessing the necessity of the Task implementation. No compensatory mechanisms can and do provide for compensation of sentimental value. From the outset, therefore, there was a high risk that, despite the Investor implementing all available and objectively justifiable mitigation measures, it would be very difficult for the PAP to reach an agreement and build a sense of satisfaction. The conclusion to be drawn from the case study analysed is as follows: in some situations, it is necessary to accept the fact that, despite adequate efforts on the part of the Investor, full agreement and satisfaction of all parties cannot be achieved. It is therefore of paramount importance to ensure that the Investor's decisions and actions are based on the principles of honesty and fairness, are transparent and duly consulted with the community concerned, and in principle comply with the principles of the WB and Polish law.

8.4 RECOMMENDATIONS

The following recommendations and indications can be derived for the preparation and implementation of the next LARAPs based on the case study in chapter 8.3 and the analysis in chapter 8.2:

1. Paying close attention to those who express concerns at the socio-economic study stage or declare an emotional connection to the land in this study (thanks to this timely identification of such people, it was possible to prevent social conflicts for the Task).
2. Careful documentation of discussions with community members – this is particularly difficult and time-consuming in a situation where there is ongoing implementation of the Task and a significant workload for the LARAP implementation team, as well as the need for collaboration amongst multiple teams (e.g. Consultant, Engineer and Client teams). Nevertheless, documenting interviews with community members is crucial in the process of managing conflict, taking into account comments from community members and preventing/resolving complaints made by PAPs.
3. Establish an appropriate methodology for the ex-ante socio-economic study and the ex-post socio-economic study so as to facilitate a comparison of the socio-economic situation of PAPs.
4. Regular communication with the local community – The following practical recommendations for conducting the communication process should be indicated:
 - a. automated contact lists – an automated mailing list should be created, targeted at PAPs to facilitate the personalised provision of information,
 - b. simple communication tools – use of simple communication tools that do not require advanced technological knowledge or significant investment or resources, such as mailing lists, information leaflets, project websites, SMS lists.
 - c. regular updates of the Task status – providing PAPs with short, systematic updates on the progress of the Task, upcoming events or important developments.

5. Satisfaction monitoring - periodic monitoring of residents' satisfaction with the communication process is recommended throughout the project. This will allow activities to be tailored to their needs and expectations.

9 Conclusions and summary

The main, measurable effect of the Project (construction of 4 dry reservoirs) is flood protection of the area along the Nysa Kłodzka River from Boboszków to Bardo and along the Bystrzyca Dusznicka River to Kłodzko, reduction of the volume of flows and flood hazard in the river valleys where the reservoirs are located and in the Nysa Kłodzka Valley.

As a result of reservoir construction and the implementation of the other elements of the Project, 3,851 facilities exposed to the direct risk of flood are protected against flooding, including, in particular, residential buildings, buildings of special social importance, industrial plants. Indirectly, on the other hand, the newly constructed reservoirs have contributed to the protection of approx. 112,000 people (the total population of the flood-affected communes).

The LARAP has been implemented in line with the requirements of OP 4.12 and without violating Polish law. The following aspects of OP 4.12 were emphasised in the implementation process:

- Minimise the resettlement and occupation of properties.
- Payment of compensation prior to physical occupation of the property.
- Information and support for property owners covered by assistance programmes.
- Effective communication with the local community.

By using this approach, the project has contributed to the protection of life, health and assets of people covered by flood protection and has had a positive impact on the local community.

The main achievements of the LARAP implementation process are chiefly the minimisation of resettlement, the high efficiency of compensation payments and the effective communication with the PAPs. The planning process for the construction of the reservoir assumed a significant amount of temporary occupation and the need to occupy 31 properties owned by natural persons. During the implementation period of the LARAP, it was possible to reduce temporary occupation to part of 1 property belonging to a private person. It should be indicated that the temporarily occupied part of the property was also covered by the PR. Proceedings are currently underway with the Province Governor of Lower Silesian regarding compensation for encumbering this property with PR. It is anticipated that this case will be completed within the Project timeframe and that it will be monitored as part of the Project.

The Project had no impact on incomes of households and residents did not experience financial losses due to the project. This has helped to maintain the economic stability of the local community. All compensations for expropriated properties were handled in accordance with the procedures specified in the LARAP, ensuring fair compensation for those affected by expropriation (in line with OP 4.12). In order to ensure compliance with OP 4.12 and to minimise project delays, corrective procedures have been put in place, such as the payment of part of the compensation before the final administrative decision is issued.

Key elements in the success of LARAP implementation were undoubtedly the activities related to the provision of information and support to residents. This enabled the local community to follow the progress of the project and not be surprised by issues relating to the progress of the compensation determination procedures. Furthermore, the transparency and fairness of activities under the LARAP and the acceptance and understanding from the local community is also evidenced by the fact that no complaints have been received from PAPs in relation to the investment.

One of the most significant challenges in respect of the LARAP implementation was the need, arising from OP 4.12, to defer the time of paying the compensations vis-a-vis the requirements arising under Polish law. This was particularly important given the long duration of the administrative procedures to issue a decision determining the amount of compensation. As a result, there was a significant risk that the commencement of works would be delayed due to the non-payment of compensation. This risk was minimised by applying a procedure to pay 70% of the undisputed part of the compensation before the Province Governor of Lower Silesia issued their decision.

In the end, only a small part of the property belonging to 5 natural persons (1 property), located in the immediate vicinity of the national road, was temporarily occupied. The occupation of this part of the property did not in any way affect the ability to use the entire property, nor did it affect PAPs' income. No infrastructure or planting was located on the occupied parts of the property. Upon completion of the investment implementation, the surface of this property was restored to its condition prior to the commencement of the Task. It should also be pointed out that PAPs have received compensation in relation to the occupation of the property on the basis of the rules set forth in the LARAP.

In summary, LARAP implementation - in the context of the analyses undertaken in this report - highlights that the implementation process is in congruence with the requirements of OP4.12, the RPF and the Project Operations Manual.

After the implementation of Works Contract 2A.1/2, PAPs' standard of living has been restored or improved, because appropriate compensation was paid (compensating for the expropriation and enabling to acquire another property) and the flood hazard has been diminished.

The key aim of the Land Acquisition and Resettlement Action Plan has also been achieved, namely the properties necessary to implement the Contract were acquired in accordance with the Polish law and with the World Bank's policy OP 4.12 in a way which minimised adverse impacts on project affected persons, and did not result in the physical or economic resettlement of households. There were no significant impacts on PAPs during the execution of the Works.

10 Appendices

Appendix no. 1 - Location of the flood protection reservoir on Goworówka stream in the town of Roztoki Bystrzyckie

Appendix no. 2 - Tabular list of the properties and of information on compensations paid. (Appendix not to be published).

Appendix no. 3 - Photographic documentation

Appendix no. 4 - Ex-post questionnaire