

# Compensation and Resettlement Framework for the Vc Corridor

## Key Requirements

### CONTENTS

<b>1</b>	<b>KEY PRINCIPLES.....</b>	<b>2</b>
<b>2</b>	<b>ENTITLEMENTS AND COMPENSATION.....</b>	<b>3</b>
<b>3</b>	<b>GRIEVANCE MANAGEMENT AND REDRESS.....</b>	<b>7</b>
<b>4</b>	<b>MONITORING AND EVALUATION.....</b>	<b>7</b>
<b>5</b>	<b>IMPLEMENTATION.....</b>	<b>8</b>
5.1	RESETTLEMENT ACTION PLANS.....	8
5.2	ORGANISATIONAL ARRANGEMENTS FOR IMPLEMENTATION.....	8
5.3	RESOURCES REQUIRED FOR IMPLEMENTATION AT PIU LEVEL.....	8
5.4	FUNDING ARRANGEMENTS.....	8
	<b>APPENDIX 1 - COMPENSATION.....</b>	<b>10</b>
	ELIGIBILITY.....	10
	COMPENSATION FOR LAND.....	10
	<i>Replacement Land.....</i>	<i>10</i>
	<i>Cash Compensation.....</i>	<i>11</i>
	<i>Expropriation of Unaffected Parts of Properties.....</i>	<i>11</i>
	COMPENSATION FOR STRUCTURES.....	11
	<i>Residential Structures – Resettlement.....</i>	<i>11</i>
	<i>Cash Compensation.....</i>	<i>11</i>
	RELOCATION AND MOVING ALLOWANCES.....	12
	<i>Relocation Allowance.....</i>	<i>Error! Bookmark not defined.</i>
	<i>Moving Allowance.....</i>	<i>12</i>
	COMPENSATION FOR CROPS AND FOREST.....	12
	<i>Annual Crops.....</i>	<i>12</i>
	<i>Perennial Crops.....</i>	<i>12</i>
	<i>Forest.....</i>	<i>13</i>
	DEADLINES FOR PROVIDING COMPENSATION.....	13
	SALVAGING.....	13
	<b>APPENDIX 2 – ASSISTANCE TO VULNERABLE PEOPLE.....</b>	<b>14</b>
	<b>APPENDIX 3 – MONITORING &amp; EVALUATION INDICATORS.....</b>	<b>15</b>
	<b>APPENDIX 4 – STRUCTURE OF RESETTLEMENT ACTION PLANS.....</b>	<b>16</b>
	<b>APPENDIX 5 – IMPLEMENTATION RESPONSIBILITIES.....</b>	<b>17</b>

## 1 KEY PRINCIPLES

The key principles committed upon by the Government of FBiH in respect of compensation and resettlement associated with the Corridor Vc Project are as follows:

1. Resettlement and compensation of Project-Affected Persons shall be carried out in compliance with (a) applicable BiH/FBiH legislation, particularly the Expropriation Law, (b) applicable EBRD requirements (e.g. the World Bank Group's OD 4.30), and (c) internationally accepted good practice.
2. Owners and users residing in or using Project affected land at the time of the cut-off date are eligible to compensation or assistance, as long as they have been granted the right to compensation in the Decision on Expropriation as follows:
  - Registered properties shall be compensated according to the Expropriation Law
  - . ,
  - Non registered properties, for which the legalisation process has been successfully completed before the Decision on Expropriation, shall undergo expropriation in accordance with the Expropriation Law
  - Non registered properties used as permanent residences, which have not been legalised before the Decision on Expropriation (even if the legalisation process is underway but was not completed) , shall be treated as illegally constructed buildingsno compensation shall be paid to the occupants. Certificate of permanent residence delivered by the relevant authority will be used as evidence that a building is used as a residential structure. However, upon proposal of the Federal Ministry of Transport and Communications, the FBiH Government may make case by case compensation decisions regarding these illegal residential structures
  - Occupants of illegally constructed residential structures for which the FBiH Government determined that they are not eligible for any compensation for the illegally constructed structure shall receive a relocation allowance of KM 3,000. Occupants shall also be compensated for any assets for which ownership can be proved, the objective being that, in accordance with the EBRD policy requirements, they should be no worse off
  - Occupants of illegally constructed weekend houses and illegally constructed non-residential structures are subject to the provisions of the Expropriation Law and such cases shall not be submitted to the FBiH Government for consideration.
3. Temporary impacts related to temporary occupation of land, for instance for construction purposes, shall be compensated,
4. Any compensation shall be at replacement value, either through replacement by a similar property (the preferred option) or through cash compensation,
5. Affected livelihoods shall be restored, as a minimum, or improved where possible,
6. Monitoring and evaluation of compensation and resettlement activities shall involve independent parties,
7. PAPs and host communities shall be engaged, informed and consulted during the whole course of RAP development, implementation and evaluation,
8. The “cut-off” date for eligibility is the date when the Decision on Expropriation is made by the relevant authority as defined in the Expropriation Law.
9. The borrower is to fund compensation for expropriated real property as well as expenses related to the implementation of moving and resettlement activities.

## 2 ENTITLEMENTS AND COMPENSATION

Compensation entitlements for different categories of eligible households and properties covered by the current applicable legislation of FBiH are described in summary in Table 1 below. Table 2 identifies those compensation entitlements that are not defined by the current valid legislation in the Federation. Appendix 1 provides further details on entitlements and compensation for all categories of affected assets.

**Table 1: Compensation Entitlements As Provided by Existing Legislation of FBiH**

Type of Affected Right or Property	Legal Framework	Entitlement	Process and Specific Conditions
Registered plot of land with residential structure with building permit	Expropriation Law	OPTION 1: RESETTLEMENT Replacement property including a residential plot of similar size and characteristics and a residential structure of similar size and characteristics (resettlement) OR OPTION 2: CASH COMPENSATION Cash compensation of both land plot and structure at replacement value and Moving allowance	Transfer of property right through amicable agreement or expropriation
Non residential structure with building permit on registered land	Expropriation Law	Cash compensation at replacement value of the structure to the structure owner AND Cash compensation at replacement value of the land	Transfer of property right through amicable agreement or expropriation
Registered agricultural land plot	Expropriation Law	Provision of a replacement agricultural plot of similar size and characteristics OR Cash compensation at replacement value	Transfer of property right through amicable agreement or expropriation If the affected part accounts for 10% or less of the total surface area of the agricultural plot, the replacement plot option will not be available. Only cash compensation will be available. If the remainder after expropriation of the affected part is assessed as unusable, the owner will be entitled to expropriation of the whole plot and compensation accordingly
Agricultural land plot registered in the name of a individual distinct from the user	Expropriation Law and Law on Legal Ownership Relations	Cash compensation at replacement value of the plot to the land owner or his/her successors AND Cash compensation of any developments on the land to the owner of these developments (may apply to irrigation or drainage structures, perennial plantations, structures, etc...)	Transfer of property right through amicable agreements or expropriation
Annual crop	Expropriation Law	Cash compensation at market value to the owner of the crop if he has evidence of lease of land plot from the landowner. Cash compensation to landowner at market value	Cash compensation of the crop will be delivered only if the annual crop cannot be harvested within the period of notice
Perennial crop	Expropriation Law	Cash compensation at market value to the owner of the crop if he has evidence of lease of land plot from the landowner Cash compensation to landowner at market value	

<b>Type of Affected Right or Property</b>	<b>Legal Framework</b>	<b>Entitlement</b>	<b>Process and Specific Conditions</b>
Business	Expropriation Law	Real property will be compensated according to expropriation process: Replacement property will be given as compensation to the previous owner of the expropriated premises that were used for business purposes by the expropriation beneficiary before the expropriated property is demolished.	
Forest land	Expropriation Law	Cash compensation at replacement value of the plot to the land owner AND Cash compensation at market value of the lost timber to the owner of the timber	Transfer of property right through amicable agreements or expropriation

**Table 2: Entitlements Which May Not be Covered by Existing Legislation**

Type of Affected Right or Property	Entitlement	Process	Specific Aspects Which May Not Be Covered by Existing Legislation
Residential structure without building permit erected by the owner of the land plot, and attached plot of residential land	<u>Subject to successful legalisation:</u> OPTION 1: RESETTLEMENT Replacement property including a residential structure of similar size and characteristics (resettlement) and attached plot of residential land and Moving allowance OR OPTION 2: CASH COMPENSATION Cash compensation of both land plot and structure at replacement value and Moving allowance	Expropriation can be implemented when the legalisation process was completed successfully before the decision on expropriation was brought	- Moving allowance
Residential structure erected illegally on a land plot titled in someone else's name	<u>Subject to successful legalisation:</u> Cash compensation at replacement value of the structure to the structure owner and Moving allowance to the structure owner and Cash compensation at replacement value of the land to the landowner or his/her successors	Expropriation can be implemented when the legalisation process was completed successfully before the decision on expropriation was brought	- Moving allowance
Residential structure erected illegally on state land	<u>Subject to successful legalisation:</u> Cash compensation at replacement value of the structure to the structure owner and Moving allowance to the structure owner	Expropriation can be implemented when the legalisation process was completed successfully before the decision on expropriation was brought	- Moving allowance
Non residential structure without building permit on registered land	<u>Subject to successful legalisation:</u> Cash compensation at replacement value of the structure to the structure owner and Cash compensation at replacement value of the land	Expropriation can be implemented when the legalisation process was completed successfully before the decision on expropriation was brought	

<b>Type of Affected Right or Property</b>	<b>Entitlement</b>	<b>Process</b>	<b>Specific Aspects Which May Not Be Covered by Existing Legislation</b>
Non residential structure erected informally on a land plot titled in someone else's name	<u>Subject to successful legalisation:</u> Cash compensation at replacement value of the structure to the structure owner and Cash compensation at replacement value of the land to the landowner or his/her successors	Expropriation can be implemented when the legalisation process was completed successfully before the decision on expropriation was brought	
Non residential structure erected illegally on state land	<u>Subject to successful legalisation:</u> Cash compensation at replacement value of the structure to the structure owner	Establishment of right of property and legalisation of the unregistered non residential structure, then implementation of expropriation	

Successfully completed legalisation process means the legalisation of illegally constructed structures that was successfully completed before the date of the Decision on Expropriation.

For all cases that are contrary to the relevant legal regulations, and that need to be addressed / resolved pursuant to EBRD directives under the signed Loan Agreement, the Government of the Federation shall make the necessary decisions upon proposal of the Federation Ministry of Transport and Communications. The Government of the Federation shall not consider cases related to illegally constructed weekend houses and generally of structures that are not designed for permanent residence.

Beyond the above entitlements, affected vulnerable people will receive further assistance, based on a case-by-case screening. Appendix 2 provides details.

### **3 GRIEVANCE PROCEDURE**

The following principles will be adhered to:

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

### **4 MONITORING AND EVALUATION**

Monitoring and Evaluation shall be based on the following principles:

- An internal monitoring programme shall be established, including:
  - o Input monitoring, which measures whether inputs are delivered on schedule and as defined in the Resettlement Action Plans or the Resettlement Framework,

- Output monitoring, which measures the direct measurable results of the inputs, for example the number of people receiving compensation or completing livelihood restoration training course,
- Independent third party compliance monitoring, which checks whether the implementation of resettlement and compensation complies with lenders' policies. Compliance monitoring will take place on a six-monthly basis during the active phase of resettlement, and will include a completion audit to be implemented two to three years after the active phase of resettlement is complete. Compliance monitoring will be sanctioned by reports prepared independently for the FBiH Motorway Directorate. The Consultant selected by the EBRD for consultancy services for the implementation of the project shall perform the evaluation, monitoring and auditing of the procedures and send reports to the EBRD. .

Appendix 3 presents details on the minimal Key Performance Indicators to be monitored and evaluated.

## **5 IMPLEMENTATION**

### **5.1 RESETTLEMENT ACTION PLANS**

Resettlement Action Plans (RAPs) shall be prepared ahead of the actual implementation of resettlement and compensation activities. RAPs shall be prepared for every component of the Corridor Vc Project, and will be publicly disclosed and include the information as defined in Appendix 4.

For each component, the preparation of RAPs and of Expropriation Studies as provided under Article 16 of the Expropriation Law should be integrated into one single contract.

### **5.2 ORGANISATIONAL ARRANGEMENTS FOR IMPLEMENTATION**

In accordance with the Expropriation Law as well as for practical reasons, responsibilities will be shared between a Project Implementation Unit within the FBiH Motorway Directorate and Municipalities. Appendix 5 describes the share of responsibilities between these two entities based on a list of tasks required to implement the Resettlement Framework.

### **5.3 RESOURCES REQUIRED FOR IMPLEMENTATION AT PIU LEVEL**

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

- One specialist in charge of coordinating expropriation and resettlement activities with Municipalities involved,
- One specialist in charge of activities intended for vulnerable people and of monitoring and evaluation.

Support secretarial staff will be allocated to these three professionals as needed.

### **5.4 FUNDING ARRANGEMENTS**

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

- Expropriation of affected properties (per Article 24 of the Expropriation Law, it is an obligation of the FBiH Motorway Directorate to submit evidence that required funds have been secured and deposited),
- Judicial proceedings associated with expropriation,
- Moving allowance for those affected households eligible thereto,
- Assistance to Project - affected vulnerable people,
- Annual crop compensation,

- Perennial crop compensation,
- Expenses related with coordination, implementation, monitoring and evaluation of the compensation and resettlement activities.

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

## APPENDIX 1 - COMPENSATION

### ELIGIBILITY

Eligibility shall be based on the following:

- The 2008 Expropriation Study carried out in application of the Expropriation Law for those properties that fall under expropriation, which itself is based on land registries,
- The 2008 Census carried out for the development of this Resettlement Framework,
- Further investigations by Municipalities, particularly in situations where the property is titled but where title information does not correspond to the current observed ownership situation.

If there is a discrepancy between the land registry and the actual situation ownership observed in the field, it belongs in the Municipalities to resolve such discrepancies, according to Article 27 of the Expropriation Law. This would particularly be the case where the land registry has not been updated following the decease of the registered owner(s).

Regulations on legalisation of illegally built buildings without permits and buildings of temporary character are a competence of the Cantons. These regulations or decisions provide the conditions and procedure applicable to the legalisation of illegally built or temporary structures. The legalisation process includes the following steps:

- A legalisation application by the owner within a certain time period established by the Cantonal regulations (usually one year),
- A review by Municipal and Cantonal bodies in charge of spatial and construction planning,
- A decision on supplemental urban permit,
- A decision on building permit and usage permit in accordance with the Law on spatial planning.

### COMPENSATION FOR LAND

#### Replacement Land

As provided under the Expropriation Law, compensation for land will wherever feasible be offered in the form of a replacement property “enabling the owner ... approximately the same conditions of use”<sup>1</sup>. “Same conditions of use” will be understood as meeting the following criteria:

- Being acceptable to the affected owner/farmer,
- Being approximately the same size (plus or minus 10%),
- Having a similar or better agricultural potential (fertility, slope, plot layout, exposition),
- Being located at reasonable distance (“reasonable distance” will vary according to the farmer’s equipment and the respective size and location of both the expropriated parcel and the farmer’s remaining land holdings – as general guidance, reasonable distance should usually be less than 5 km).

In situations where only 10% or less of the total surface area of the affected agricultural plot is actually expropriated, a replacement property will not be proposed and only cash compensation will be offered.

Subject to eligibility conditions described in the Entitlement Matrix (Tables 1 and 2), crops will be compensated separately from the land itself according to arrangements described below in the section related with crops.

Where it is found that replacement properties cannot be offered to the affected landowner because suitable agricultural land is not available at reasonable distance or is not acceptable to the landowner, cash compensation is determined in accordance with the market value. .

---

<sup>1</sup> Expropriation Law Article 45: “As a rule, compensation for expropriated real property is determined by giving other corresponding real property in the amount equal to market value of the expropriated real property in the same municipality or city, thus enabling the owner of expropriated real property approximately the same conditions of use as he/she had over that real property.”

## **Cash Compensation**

In the event where cash compensation is the preferred option, the replacement value of land shall be assessed by an expert based on the following:

- Identification of three recent (less than 6 months) transactions in the area interesting plots of similar characteristics,
- Calculation of the average price per square metre for these three transactions, to be used as the proposed replacement value for the expropriated plot.

In the event where only a smaller plot or a plot of lesser potential can be identified and offered as compensation, the difference between the value of the affected plot and that of the replacement plot shall be evaluated and paid. This will require both the affected plot and the replacement plot to be valued so that the difference in value can be calculated. Valuation at replacement value will comply with details above. If the difference in value is less than 10%, no cash compensation will be paid to offset the difference.

## **Expropriation of Unaffected Parts of Properties**

In situations of partial expropriation of agricultural or residential land where the remainder of the plot is unsuitable for further agricultural or other use, he/she will be able to apply for expropriation of the whole plot according to provisions of Article 11 of the FBiH Expropriation Law. Such situations will be assessed on a case-by-case basis by the Municipality, and the following criteria will be used to assess suitability for further agricultural use:

- Whether there is any business/commercial interest to use the remainder of the property;
- Whether his previous livelihood was blocked or seriously deteriorated;
- Whether normal usage of the remainder of the property is possible or not;

## **COMPENSATION FOR STRUCTURES**

### **Residential Structures – Resettlement**

Per the Expropriation Law, the expropriation beneficiary has an obligation to propose the provision of a replacement property of similar characteristics (“resettlement”) as a first option.

Resettlement includes the replacement of both the plot of residential land and the residential structure by a property of similar characteristics in the same area. Resettlement for the Project will be “in-fill” resettlement: replacement properties will be identified amongst existing ones in the vicinity. Replacement properties will meet the following criteria, to the extent possible:

- Plot with same surface area,
- House with similar size and standards, including access to utilities,
- Reasonable distance from affected property, with a similar potential from a livelihood perspective (access to employment or agriculture).

If replacement properties of lesser size or less favourable characteristics are proposed to the owners of real property that is being expropriated, the difference in value will be paid to the affected household according to a calculation similar to that described in the section above related to land compensation. Where a physically displaced household cannot be proposed an adequate resettlement property because none is available cash compensation will be determined in accordance with the market value of the real property. .

## **Cash Compensation**

Where the affected household chooses cash compensation rather than resettlement, or if no suitable resettlement property can be ensured, residential structures shall be compensated in cash. Principles applicable to the determination of replacement value are the same as those described above for land: at least three transactions interesting comparable properties in the same area will be identified to be used as a reference for calculation of prices, with both value of land and value of buildings taken into consideration. This process will be documented. Non residential structures will be compensated in cash at replacement value.

## MOVING ALLOWANCES

### Moving Allowance

The moving allowance is intended to cover the cost of moving personal belongings and furniture. This allowance will be given to the following categories of PAPs:

- owners of illegally constructed buildings whose applications for legalisation have been rejected by FBH Government. The expropriation beneficiary shall allocate the amount of KM 3,000 for costs of moving and resettlement for the above mentioned category.

## COMPENSATION FOR CROPS AND FOREST

### Annual Crops

Expropriation and land entry will generally be phased in such a manner that any standing annual crop, regardless of its development stage, can be harvested before land is taken from the land owner or land user. Annual crops that are harvested before land occupation by the beneficiary agency shall not be compensated.

For those annual crops that cannot be harvested prior to land entry or that are damaged by construction works, they shall be compensated at full market value. Recent records of agricultural produce prices at cantonal or municipal level shall be used where they exist and are not older than six months. Where such records are not available, a specific price survey shall be undertaken as part of the preparation of the detailed Resettlement Action Plan to identify the market value of major crops to be compensated, and a table of rates will be generated for all major crops in a given area. These will be updated on a six-monthly basis.

### Perennial Crops

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

Compensation rates will be calculated in compliance with the full replacement value principle, based on the following:

If:

V :	Average market value of the produce of one tree for one year
D :	Average period of time required to re-establish the tree to an adult production level, in years
C <sub>P</sub> :	Cost of planting (seedling, soil preparation, initial fertilization)
C <sub>L</sub> :	Cost of the labour required to maintain the crop during the period of time needed to re-establish it to its previous production level

The compensation rate C for one tree is determined by application of the following formula:

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

The unit rate C per tree shall then be applied to the whole plot taking consideration either of an average density or of the full count of standing trees.

Market values of the produce for each of the common fruit trees in the area will be investigated and reflected in rate tables for every Resettlement Action Plan (RAP). Compensation rates will be generated in the RAPs for the following four stages of tree development:

- Seedling,
- Young, not productive,

- Young productive,
- Mature.

### **Forest**

The replacement value is the market value of the logged timber. If an affected commercial forest cannot be logged before entry into land, it will therefore be compensated based on a similar principle as that presented above for annual crops, taking consideration of the market value of the lost timber.

### **DEADLINES FOR PROVIDING COMPENSATION**

Compensation shall, as a rule, always be effected prior to land entry or taking of possession. As a general rule, the compensation recipients will be given a minimum of three months notice to vacate the property unless otherwise provided in the agreement between the owner and the expropriation beneficiary. Exceptionally, upon request of the expropriation beneficiary who has produced valid reasons for urgent need to take possession of the expropriated real property, FBH Government can decide that the real property is turned over to the expropriation beneficiary before the effectiveness of the decision on expropriation, if it establishes that this is necessary due to the urgency of the situation or in order to avoid larger damage.

### **SALVAGING**

Salvaging of materials from expropriated properties shall not be permitted.

## APPENDIX 2 – ASSISTANCE TO VULNERABLE PEOPLE

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

Vulnerable people include, but are not limited to:

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

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

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

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

### APPENDIX 3 – MONITORING & EVALUATION INDICATORS

A number of indicators to monitor, either internally or externally, are identified in details in the full Compensation and Resettlement Framework. Specifically, the following Key Performance Indicators shall be monitored:

Indicator	Source of Information	Frequency of Measurement
<b>Input indicators</b>		
Overall spending on compensation and resettlement	Financial records	Quarterly
Number of full time staff dedicated to resettlement & compensation, with distribution in-house / outsourced if applicable, and distribution by skill type	HR Department	Quarterly
Number of PAPs by categories	Census and grievance management	Quarterly
<b>Output indicators</b>		
Number of dwellings commenced to construct in the period	Construction	Monthly
Number of dwellings delivered in the period	Construction	Monthly
Number of PAPs having moved into their new dwelling in the period	Data management system	Monthly
<b>Outcome indicators</b>		
Number of open grievances and trend in time	Data Management System	Quarterly
Average time for payment of compensation	Measure time between compensation agreement and payment	Quarterly
Has compensation been paid at full replacement cost? Is compensation updated to take account of increases in real estate value?	Compare results of real estate market survey for similar properties with compensation paid. Investigate whether recipients of cash compensation were able to purchase a similar property	Yearly
Use of compensation	What has compensation been used for? Survey of compensated households	Yearly
Satisfaction with allocated dwellings	Satisfaction survey of all resettled households	Yearly
Income	Are incomes restored? Survey of occupations and income over a stratified sample of PAPs and comparison with baseline	Yearly and at Completion Audit

## **APPENDIX 4 – STRUCTURE OF RESETTLEMENT ACTION PLANS**

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

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

## APPENDIX 5 – IMPLEMENTATION RESPONSIBILITIES

Group of Tasks	PIU's Responsibilities	Municipalities' Responsibilities
<p><b>Develop RAPs and Expropriation Studies</b></p>	<ul style="list-style-type: none"> <li>- Amend as appropriate and approve this Resettlement Framework</li> <li>- Hire and contract consultants to prepare RAPs and Expropriation Studies for each component</li> <li>- Supervise consultants and monitor their progress</li> <li>- Review draft RAPs and provide comments to consultants</li> <li>- Develop Municipalities' awareness of Resettlement Framework and RAP requirements</li> <li>- Organise disclosure of Resettlement Framework and RAPs</li> <li>- Hire compliance auditor acceptable to the EBRD</li> </ul>	<ul style="list-style-type: none"> <li>- Participate in census and Expropriation Study by providing consultants with cadastral documentation and with support in identifying owners</li> <li>- Participate in consultants' efforts to identify "legalisable" informal properties and help to identify legal steps required to legalise them</li> <li>- Participate in consultation meetings held within the RAP preparation process</li> <li>- Participate in identification of vulnerable people</li> <li>- Support consultants' effort in identifying resettlement sites and/or replacement properties</li> <li>- Put in place a grievance desk and assign responsibility of logging and processing grievances to a designated officer</li> <li>- Disclose to PAPs avenues for lodging grievances</li> </ul>
<p><b>Prepare for RAP implementation</b></p>	<ul style="list-style-type: none"> <li>- Hire a Compensation &amp; Resettlement Coordinator accountable to the Project Coordinator</li> <li>- Staff the PIU's RAP implementation unit per description in section 5.3 of this document</li> <li>- Make sure monies are earmarked in the FBIH budget per provisions in section 5.4 of this document</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Disclose expropriation study within the territory of the Municipality</li> <li>- Prepare and approve Declaration of Public Interest at Municipality level</li> <li>- Launch and implement legalisation process for those properties that are "legalisable"</li> <li>- Ensure personnel, material and technical conditions for efficient work of cadastral department to legalise properties as a priority and update the cadastre data accordingly</li> <li>- Inform owners</li> </ul>
<p><b>Implement expropriation process</b></p>	<ul style="list-style-type: none"> <li>- Make sure applicable legal framework is passed in due time by Municipalities and/or Cantons (Declaration of Public Interest)</li> <li>- Provide Municipalities with relevant expropriation documentation, including lists of properties to expropriate and relevant details derived from the Expropriation Study and census</li> <li>- Prepare and implement the first stage of the expropriation process and embark into amicable negotiations</li> <li>- Document situations where no amicable agreement can be reached</li> <li>- Support and coordinate Municipalities' effort in implementing expropriation</li> <li>- Pay compensation or provide replacement properties per provisions of the Expropriation Law and this document</li> </ul>	<ul style="list-style-type: none"> <li>- Check that land records are consistent with actual ownership and that legalisation has been completed where applicable</li> <li>- Trigger the second stage of expropriation process per Expropriation Law where no amicable agreement can be reached by the Expropriating Agency</li> <li>- Notify the expropriation proposal and hold a second round of amicable negotiations</li> <li>- Take the expropriation decision according to Article 27 of the Expropriation Law</li> <li>- In situations where no agreement can be reached, hand over related files with all necessary documentation to competent Court immediately after failure of negotiations</li> </ul>

<b>Group of Tasks</b>	<b>PIU's Responsibilities</b>	<b>Municipalities' Responsibilities</b>
<b>Take care of vulnerable people</b>	<ul style="list-style-type: none"> <li>- Make sure monies are earmarked per provisions in section 5.4 of this document to take care of assistance to vulnerable people</li> <li>- Make sure vulnerable people are identified when developing RAPs</li> <li>- Make sure vulnerable people are monitored and taken care of</li> <li>- Maintain a simple database of vulnerable people, where all activities are kept track of</li> </ul>	<ul style="list-style-type: none"> <li>- Participate in the identification of vulnerable people and make related information available to implementing agency</li> <li>- Participate in the identification of specific assistance measures needed for vulnerable people</li> <li>- Participate through Municipal Bureaus of Social Welfare to the implementation of activities intended for vulnerable people</li> </ul>
	-	
<b>Consultation</b>	<ul style="list-style-type: none"> <li>- Coordinate consultation activities delivered by consultants in charge of preparing RAPs</li> <li>- Centralise the documentation (minutes of meetings) associated with consultation activities</li> </ul>	<ul style="list-style-type: none"> <li>- Facilitate the organisation and delivery of consultation activities outsourced to consultants in charge of preparing the RAPs</li> </ul>
<b>Monitoring &amp; Evaluation</b>	<ul style="list-style-type: none"> <li>- Generate periodic indicators and reports based on Chapter 4 of this document</li> <li>- Organise evaluation activities per Chapter 4 of this document</li> <li>- Hire Compliance Auditor, review his/her reports, and ensure that his/her recommendations are implemented as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>- Deliver Municipality level information required by the PIU in respect of indicators and reports</li> </ul>
<b>Grievance management</b>	<ul style="list-style-type: none"> <li>- Put in place and maintain a simple database to keep track of all grievances</li> <li>- grievance procedures will be implemented in accordance with legal regulations</li> <li>- mediation</li> </ul>	<ul style="list-style-type: none"> <li>- Maintain a grievance register</li> </ul>

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