



**DRAFT**

**BELGRADE NIŠ RAILWAY  
SECTION STALAĆ - ĐUNIS**

**RESETTLEMENT ACTION PLAN**

July 2022

## Table of Contents

<b>ABBREVIATIONS</b> .....	<b>4</b>
<b>1 INTRODUCTION</b> .....	<b>5</b>
<b>2 BRIEF PROJECT DESCRIPTION</b> .....	<b>6</b>
<b>3 PROJECT IMPACTS</b> .....	<b>8</b>
3.1 <i>Identification of Impacts</i> .....	8
3.1.1 Outright Purchases of Properties (and what is located on them).....	8
3.1.2 Land Use Restrictions.....	9
3.2 <i>Assets Affected by Outright Purchases of Properties</i> .....	9
3.2.1 Affected Land .....	9
3.2.2 Affected Structures .....	12
3.3 <i>Summary of Identified Impacts</i> .....	15
3.4 <i>Avoidance of Displacement</i> .....	15
3.5 <i>Additional Land Acquisition</i> .....	18
<b>4 INSTITUTIONAL AND LEGAL FRAMEWORK</b> .....	<b>19</b>
4.1 <i>Applicable Legislation of the Republic of Serbia</i> .....	19
4.1.1 Expropriation Law .....	19
4.1.2 Law on Linear Infrastructure .....	21
4.2 <i>SRI Resettlement Policy Framework</i> .....	22
4.3 <i>Applicable EBRD and EIB Requirements</i> .....	22
4.4 <i>Gaps to be Addressed Through the RAP</i> .....	23
<b>5 METHODOLOGY FOR DATA COLLECTION AND STAKEHOLDER ENGAGEMENT</b> .....	<b>32</b>
5.1 <i>Approach to Data Collection</i> .....	32
5.2 <i>Engagement with Municipalities</i> .....	32
5.3 <i>Engagement with Local Communities</i> .....	34
5.4 <i>Implementation of the Socio Economic Survey</i> .....	36
5.5 <i>Socio Economic Profile of Affected Communities</i> .....	37
5.6 <i>Description of Households and Businesses which will be Physically Displaced</i> .....	43
<b>6 KEY LAND ACQUISITION, COMPENSATION AND ASSISTANCE PRINCIPLES</b> .....	<b>44</b>
<b>7 ELIGIBILITY FOR ASSISTANCE AND COMPENSATION</b> .....	<b>45</b>
7.1 <i>Individual Owners, Users and Legal Entities</i> .....	45
7.1.1 Persons / Entities with Formal Legal Rights or Rights that are Recognisable .....	46
7.1.2 Informal Users of Structures and Business Owners and Employees.....	47
7.1.3 Informal Users of Land .....	47

7.1.4	Vulnerable People / Households.....	48
7.2	<i>Municipalities.....</i>	48
<b>8</b>	<b>ENTITLEMENTS OF AFFECTED PEOPLE AND ENTITIES .....</b>	<b>49</b>
8.1	<i>Entitlements Matrix .....</i>	49
<b>9</b>	<b>COMPENSATION AND ASSISTANCE MEASURES .....</b>	<b>53</b>
9.1	<i>Cash Compensation for Affected Land and Assets.....</i>	53
9.2	<i>Replacement Houses and/or Apartments.....</i>	55
9.3	<i>Cash Compensation for Affected Businesses.....</i>	55
9.4	<i>Assistance Measures.....</i>	56
9.4.1	Assistance for Physical Resettlement.....	56
9.4.2	Livelihood Restoration and Enhancement.....	56
9.4.3	Vulnerability Assistance .....	57
<b>10</b>	<b>IMPLEMENTATION OF LAND ACQUISITION AND ORGANISATIONAL ARRANGEMENTS .....</b>	<b>58</b>
<b>11</b>	<b>STAKEHOLDER ENGAGEMENT AND GRIEVANCE MANAGEMENT.....</b>	<b>60</b>
11.1	<i>Disclosure of the RAP and Consultations .....</i>	60
11.2	<i>Grievance Management .....</i>	60
<b>12</b>	<b>MONITORING, EVALUATION AND REPORTING .....</b>	<b>61</b>
<b>13</b>	<b>RESETTLEMENT BUDGET .....</b>	<b>65</b>
<b>14</b>	<b>RAP IMPLEMENTATION SCHEDULE.....</b>	<b>65</b>
<b>ANNEXES.....</b>		<b>67</b>
	<i>Annex 1 Photos of Affected Structures.....</i>	67
	<i>Annex 2 List of Registered Owners of Affected Land Plots.....</i>	73
	<i>Annex 3 Grievance Log .....</i>	74
	<i>Annex 4 Census Registry.....</i>	75

## ABBREVIATIONS

EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
EIB	European Investment Bank
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
EUR	The European currency - the euro
Ha	hectare
IFI	International Finance Institutions
NES	National Employment Agency
NTS	Non Technical Summary
Q	Quarter
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
RS	Republic of Serbia
RSD	Republic of Serbia Dinar, national currency
SEP	Stakeholder Engagement Plan
SRI	Serbian Railways Infrastructure (Public Enterprise Railways Infrastructure of the Republic of Serbia)

# 1 INTRODUCTION

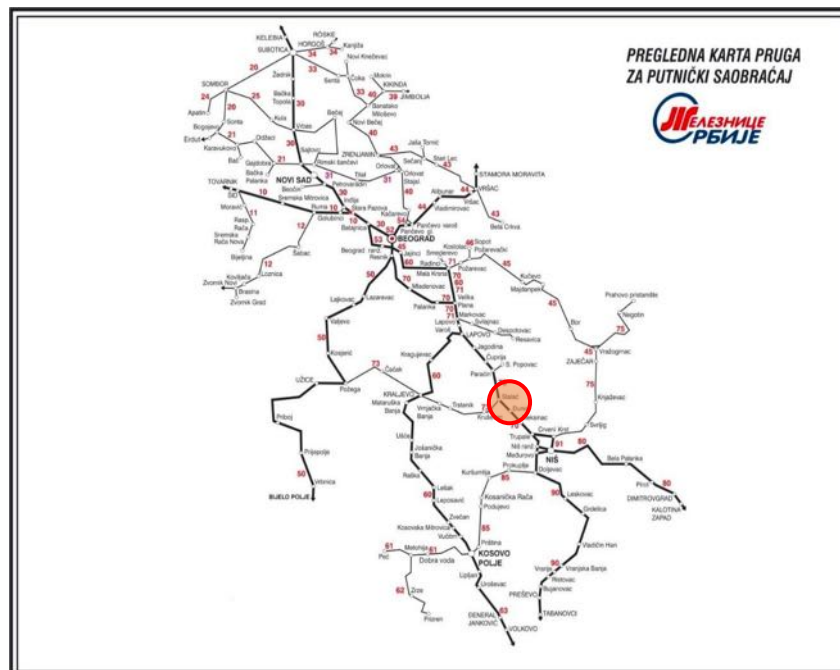
In recent years, the Republic of Serbia has been making investments into revitalising and developing parts of the railway network throughout the country, including in the Pan-European Corridor X, which is the backbone of the railway infrastructure in the country. A part of the railway Corridor X, is the railway line from the capital of Serbia, Belgrade, to the third largest city in Serbia, Niš.

The Republic of Serbia is now seeking financing from international financial institutions (IFIs), for the reconstruction of the Belgrade to Niš railway line. The Public Enterprise Railways Infrastructure of the Republic of Serbia (Serbian Railways Infrastructure - SRI) is developing the project.

One of a few single track sections of the entire Corridor X is located within the Belgrade to Niš railway line (approx. 20 km) and has been designated as a priority section in need of rehabilitation. This is the section between two existing stations, one in the town of Stalać in the municipality Čičevac and the other in the town of Đunis, municipality Kruševac (Figure 1).

For construction purposes, the Stalać to Đunis section has been divided into two LOTs. LOT 1 refers to the construction of one tunnel, approx. 3.3 km long and access roads, while LOT 2 refers to all other works on the section and is the subject of this document (the “Project”). The Project will be built in accordance with the Fidic Yellow Book (design and built contract), which means that SRI will select a Contractor to develop a detailed project and then build it.

Figure 1 Project location



The Project requires land acquisition and will cause physical and economic displacement of various categories of affected people and businesses. To ensure that all physical and economic displacement is addressed following the principles of best practice, a Resettlement Action Plan (RAP) has been developed by SRI with assistance from RAP consultants, in line with the SRI Resettlement Policy Framework (RPF) for the entire Belgrade to Niš railway line reconstruction project and in compliance both with national legislation of the Republic of Serbia and the requirements of IFIs. The benchmark policies against which the RAP has been developed are:

- The EBRD Environmental and Social Policy, specifically Performance Requirement No. 5 (Land Acquisition, Restrictions on Land Use and Involuntary Resettlement)
- The EIB Environmental and Social Standards, specifically Standard 6 (Involuntary Resettlement)

The Government of the Republic of Serbia and the Project developer, SRI, hereby commit to implement this Resettlement Action Plan, to achieve outcomes consistent with IFI requirements, until affected people, at the very least, restore their standards of living and livelihoods to pre Project levels.

The RAP is being publicly disclosed for review, comments and suggestions, as part of the overall disclosure package for the Stalać Đunis sub section, starting from July 2022 for a period of 120 days. The disclosure package also includes the following documents:

- The ESIA Study (2016)
- The national EIA Study (2018)
- The Supplementary Study and its annex Environmental and Social Management Plan (ESMP)
- The Environmental and Social Action Plan (ESAP)
- The Non-technical Summary (NTS) of the Project
- The Corridor-level Stakeholder Engagement Plan (SEP) whose annex refers specifically to the Stalac-Djunis subsection

## 2 BRIEF PROJECT DESCRIPTION

The Project involves the upgrading of the existing single rail track line on the section Stalać to Đunis (see Figure 2) to a double rail track line, while renewing the existing line, with a route able to offer speeds up to 160 km/h. The main Project components are the following:

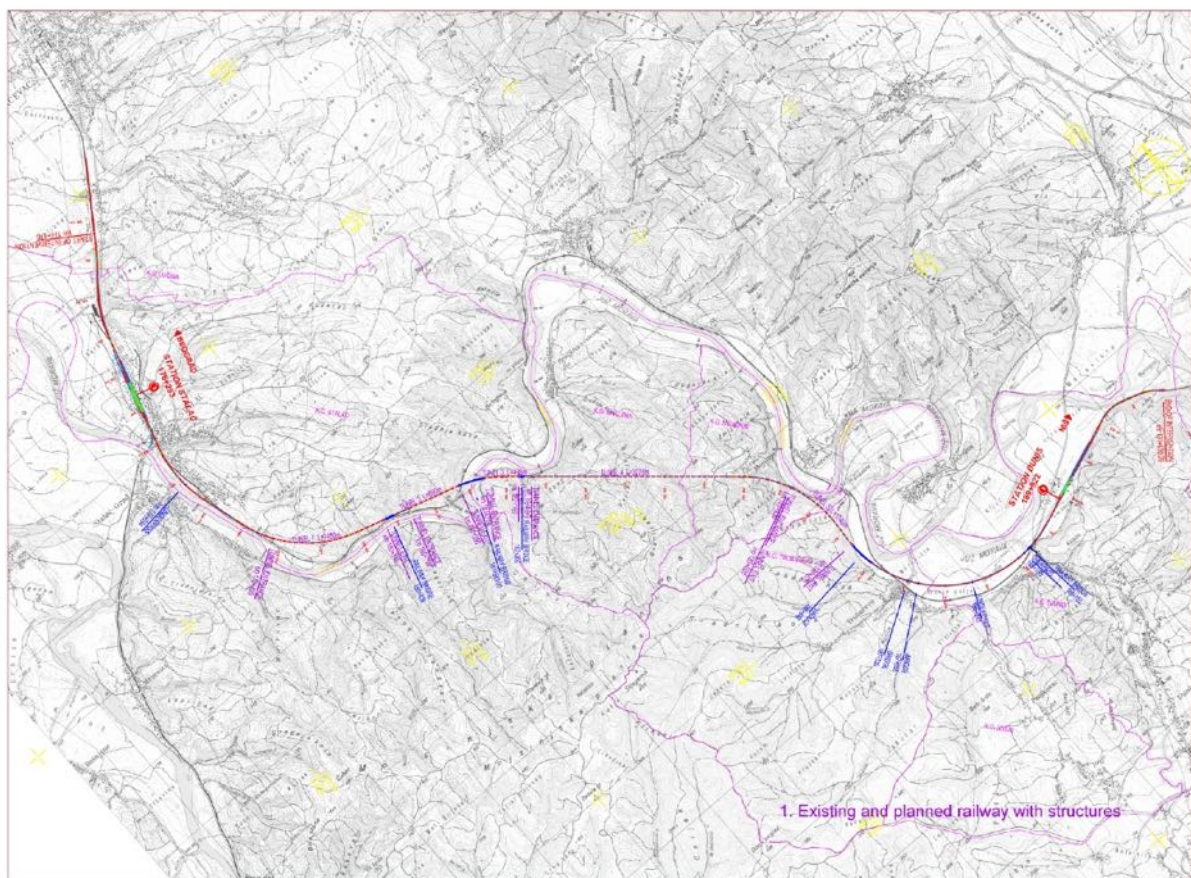
- Construction of the dual railway track for speeds up to 160 km/h;
- Construction of the overhead contact line, signalling safety and telecommunications installations;
- Construction of tunnels, bridges and a viaduct;
- Upgrade of railway stations;
- Removal of level crossings;
- Decommissioning of the existing single-track railway on the part of the Stalać to Đunis section where the replacement by the double-track railway is planned.

The new route will have the following major structures:

- Five tunnels with a total length of 6,890 m, out of which one is 3,275 m (this tunnel is part of LOT 1 of the works and is not a subject of this RAP);
- Six bridges, out of which one is the bridge over the South Morava River, 310.9 m long;
- Gallery (30 m long);
- Two underpasses and one overpass;
- One viaduct;
- Two stations.

The total length of new route will be about 17.7 km long (approximately 5 km shorter than the existing alignment). In general, the railway infrastructure will have an overall width of 14 m, however this varies in some locations due to local topography and cuttings. The rail corridor will be fenced. As part of the project development, some of the existing roads are planned to be realigned and new access roads will be created and these changes have also been defined by the Project preliminary design.

*Figure 2 Project map*



Based on the Project preliminary design, an Expropriation study (elaborate) was prepared, defining the properties which will be affected by all of the above mentioned Project components, as well as the necessary safety zones. The study was used as a basis for



developing this RAP and as a result of extensive analyses and field work, it was determined that some properties may be avoided by minimal changes in the expropriation line. The Expropriation study was then submitted for redrafting and confirming the avoidance of impacts on identified properties, where possible and this was completed in July 2022. This RAP presents the outcome of that process and the properties which will definitely be affected by the Project related land acquisition.

## 3 PROJECT IMPACTS

### 3.1 Identification of Impacts

Project impacts associated with land acquisition and restrictions on land use will occur in different phases of the Project. Before construction, certain land and associated assets will be acquired for Project construction purposes and will remain permanently affected and unavailable for use, during the operations phase, leading to physical and economic displacement. Some additional land may be needed temporarily, only during construction, for construction camps, material laydown areas, storage of topsoil and excavated materials, etc. The preferred areas of land which will be used for these purposes are any unused public land plots and if this is not possible, contractors will purchase and/or rent land from private landowners, based on voluntary agreements.

During the operations phase, on land outside of the railway protection zone in which all land will be expropriated and will become property of the railways, certain restrictions on privately owned land around railway facilities and tracks, will apply, within the infrastructure zone, which could cause further displacement for owners of this land. A detailed description of these zones is provided further in this chapter.

#### 3.1.1 Outright Purchases of Properties (and what is located on them)

To identify which land and assets will be permanently affected and need to be fully acquired and cleared, SRI and the RAP consultants jointly reviewed expropriation zone maps, aerial cadastral maps and Google Earth images, showing the planned expropriation zone. The expropriation zone was defined based on the preliminary project design and the areas of land on which Project facilities will be constructed, as well as the land needed for construction purposes (right of way). The expropriation zone also took into account the railway protection zone defined by the law, in which no structures or other assets (trees, crops, etc.) are allowed. The width of the railway protection zone is 8m from the most external track, while in inhabited areas, the width of the railway protection zone can be reduced to 6m from the external track, at most.

It should be noted that within the expropriation zone, there are also plots and facilities that already belong to SRI, so there will be no expropriation process. However, even on these plots



of land, there are existing facilities that will have to be removed for the Project and will lead to physical and economic displacement. Therefore, the review of affected land and assets also took into account facilities located on land already belonging to SRI.

### 3.1.2 Land Use Restrictions

To identify potential impacts in the operations phase, the RAP consultants considered the land use restrictions which will apply, within zones defined by the Railway Law of the RS<sup>1</sup>, as follows:

- Infrastructure zone with a width of 25m from the external track (this includes the railway protection zone) – new structures may be constructed only with the fulfilment of two conditions:
  - That the construction of such structures is foreseen by the urban plan of the relevant unit of local self government (municipality)
  - That all conditions and approvals provided by SRI are fulfilled (a request for approval has to be submitted by the person intending to construct)
- Fire safety zone (forest land) with a width of 18m from the external track (this includes the railway protection zone) – the owners of the land are obliged to regularly remove trees, plants and leaves
- Fire safety zone (agricultural land) with a width of 13m from the external track (this includes the railway protection zone) – the owners of the land are obliged to remove mature crops in a timely manner and, if needed, undertake other fire protection measures.

At the time of developing the RAP it was not possible to define exactly how many properties (and people) will be affected by these restrictions or to quantify the losses. For example, it cannot be predicted how many people will request a permit for construction within the Infrastructure zone and how many approvals will be denied, or to know exactly what kind of fire prevention measures will have to be applied and where. However, the impacts have been defined and appropriate mitigation measures have been included in the RAP, which will be implemented by SRI in all applicable cases.

## 3.2 Assets Affected by Outright Purchases of Properties

### 3.2.1 Affected Land

When looking at the overall Project area, it can be concluded that there is a distinction between two different types of locations. The built up area through which the railway line passes, mainly concentrated in the town Stalać (municipality Čičevac) and agricultural and forest area in other locations. There are two more villages along the railway line, Trubarevo (municipality Čičevac) and Đunis (municipality Kruševac), however the railway line passes through their outskirts and these two towns are generally smaller than Stalać. Another village, also belonging to Čičevac

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<sup>1</sup> Official Gazette of the RS 41/2018

municipality, Braljina, is located on the route of the existing railway, however the newly proposed railway footprint will bypass this village. The new route abandons the old route after the exit of Tunnel 2 which goes through the Stalać Gorge, crosses the Južna Morava River, and then goes through the Mojsinje mountains by Tunnels 3 and 4.

The Project requires the acquisition and clearing of approx. 79 Ha of land, of which approx. 34 Ha (43%) are privately owned and the rest is public land. The total number of land plots which will be affected is 877, of which 750 (86%) are privately owned. The average affected privately owned land plot is very small and has an area of only 0,21 Ha, while the average publicly owned land plot is larger and has an area of 2,14 Ha.

As a linear project, a significant number of land plots are planned to be only partially acquired (621 privately owned land plots). On average, 21% of a privately owned land plot will be acquired for the Project.

To demonstrate how small the affected areas of land are, in Čičevac, the largest area of a privately owned plot to be acquired is only 0,57 Ha, while all other areas to be acquired are less than 0,5 Ha. In Kruševac, the largest area of a privately owned plot to be acquired is 3,27 Ha, followed by one more plot with an affected area of 1,46 Ha. Both of these plots are forest land. There are two more plots of which the area acquired will be between 0,5 and 1 Ha, while all of the remaining plot areas to be acquired are smaller than 0,27 Ha.

*Table 1 Total affected land area and plots*

<b>Ownership</b>	<b>Number of land plots to be fully acquired</b>	<b>Number of land plots to be partially acquired</b>	<b>Total area of affected land plots (in Ha)</b>	<b>Total ACQUIRED area (in Ha)</b>	<b>% of acquired area (average)</b>
Privately owned	129	621	160,12	33,97	21%
Publicly owned	49	78	272,14	44,97	17%
<b>TOTAL</b>	<b>178</b>	<b>699</b>	<b>432,25</b>	<b>78,93</b>	<b>18%</b>

All affected privately owned land is almost equally distributed between Čičevac (421 plots, 16 Ha) and Kruševac (329 plots, 18 Ha). The number of fully acquired plots is significantly higher in Čičevac than in Kruševac, which is expected as the affected land in Čičevac actually comprises more construction land, in the town Stalać (smaller plots), while in Kruševac, mostly agricultural and forest land is affected (larger plots). The revised and final Expropriation study has also administratively split the land plots according to Project needs, so that only those parts needed for the Project will be acquired.

Table 2 Affected land area and plots, by municipality

Municipality	Ownership	Number of land plots to be fully acquired	Number of land plots to be partially acquired	Total area of affected land plots (in Ha)	Total ACQUIRED area (in Ha)	% of acquired area (average)
Ćićevac	Privately owned	107	314	65	16,29	25%
	Publicly owned	33	62	228,34	30,15	13%
Kruševac	Privately owned	22	307	95,12	17,67	19%
	Publicly owned	16	16	43,8	14,82	34%
TOTAL		178	699	432,25	78,93	18%

The acquisition of (parts of) 750 privately owned land plots will affect an estimated 589 owners of land, of whom 108 or 34% are women. This means that on average one land owner owns 1,27 plots. However, analysing the expropriation data, it can be concluded that many of the land plots are in fact owned by three, four, five and more owners, however the same owners collectively own more than one affected plot.

The number of legal entities owning land in the affected areas is only four, one of whom will have to physically relocate its facilities located on the affected land (in Ćićevac). One more legal entity is among properties (land and business structures) which have been avoided with the revision of the Expropriation study, while two will only lose a small part of their land plots, on which nothing is constructed. The business that will have to be physically relocated is described in more detail in the next chapter of the RAP.

Table 3 Total number of owners (m/f) of affected land, by municipality

Municipality	Number of affected privately owned plots	Male owners	Female owners	Legal entities (owners of land)
Ćićevac	421	209	108 (34%)	3
Kruševac	329	182	90 (33%)	1
TOTAL	750	391	198 (34%)	4

When analysing data on the type of affected land, by its intended, registered use, it can be seen that 51% of the land is agricultural land, followed by forest land (26%) and least of all construction land (23%). As mentioned earlier, and as expected, the majority of affected

construction land is located in Čičevac, in the area of the town Stalać. Contrary to that, on the territory of the municipality Kruševac only 3% of the land is construction land.

*Table 4 Total area of land by registered (intended) use (%), by municipality*

<b>Municipality</b>	<b>Total affected land (in Ha)</b>	<b>Agricultural land</b>	<b>Forest land</b>	<b>Construction land</b>
Čičevac	16,30	34 %	20 %	46 %
Kruševac	17,67	66 %	31 %	3 %
TOTAL	33,97	51 %	26 %	23 %

It should however be noted that the registered land use data does not mirror actual land use in all instances. Although the designated purpose of some of the land is construction land it may in fact be used for agriculture and the owners still have to pay for its conversion into construction land when they want to request a construction permit for building a structure on it. The cadastre also registers the type of crops (culture) grown on a plot, however this data is largely outdated and does not fully reflect reality. This is why certified appraisers are engaged to determine the real use of the land and any assets on it that will be affected.

The majority of affected arable agricultural land is used for growing annual crops such as corn, wheat, barley, with an occasional orchard or vineyard and some vegetable gardens. The rest of agricultural land includes pastures and meadows, which are sometimes used for grazing animals or for harvesting animal feed.

In Serbia, publicly owned land suitable for agriculture is rented through a bidding process organised by the municipality, which manages the renting of both municipal and state owned land. The municipality publishes a list of plots available for rent and the starting bidding price, which varies based on the quality of land and its intended use. Contracts for land are signed for different periods, depending on the type of use of the rented land. A review of a call for bids organised in Čičevac at the end of 2021, suggests that most of the land is rented for a period of 15 years and the bidding price is around 35 to 40 EUR for one Ha per year, paid annually.

A preliminary review of public land plots affected by the Project suggests that these plots are mainly roads or unused land. However, as there is a small possibility that some of the publicly owned land affected by the Project (even at a later stage), may be under a rent contract at the time when that land needs to be accessed for construction purposes, adequate compensation and assistance measures have been included in this RAP to ensure potential impacts on livelihoods are adequately addressed.

### 3.2.2 Affected Structures

The following section provides a detailed overview of affected structures, their ownership and their use, to be able to understand the various types of expected land acquisition related impacts associated with this Project. However, to ensure that physical displacement, as the

most severe of impacts is sufficiently highlighted and clear in this RAP, this information is provided upfront, while details regarding the affected households and their individual members, collected through the field activities and the socio economic survey, are presented in section 5.6.

The Project will cause physical displacement of a total of 13 households (39 individuals), of whom six reside in own (private) houses, while seven reside in apartments or houses owned by SRI.

At the time of developing this RAP, it has been established that a total of 33 privately owned structures will definitely need to be acquired, of which only six permanently inhabited (one with operational business space on the ground floor) and two occasionally inhabited (weekend houses). Two business structures (one of which is partly residential) and 18 non residential structures are affected, as well as two unused structures and three structures in ruins.

A total of five structures owned by SRI, which are in use (5 apartments and two houses), will need to be demolished (inhabited by 7 households). In addition, the Project requires the demolition of three SRI owned structures which are uninhabited and in ruins, a football field, as well as 2 structures owned by the municipality Čićevac.

Most of the affected structures are located within the municipality Čićevac (42) and only two in Kruševac. Photos of all affected structures are provided in Annex 1 of the RAP.

As mentioned earlier, following extensive field work and analyses of the route, it was determined that some structures may be avoided by a minor change in the expropriation line. A request was submitted to the responsible company preparing the updated Expropriation study to consider proposed changes in the expropriation line to avoid these structures and the final results became available at the beginning of July 2022. All of the structures which have been avoided are presented in section 3.4 of the RAP.

### ***Privately owned structures***

The Project will require the acquisition of land on which there are 6 inhabited houses, three registered and three unregistered. As part of one affected house, there is also a shop (on the ground floor). The other house belongs to the owner of an affected metal manufacturing business. Four more affected houses are all located along one street behind the metal manufacturing business owner's property.

In addition, four more privately owned houses will need to be demolished, of which one is used as a weekend house and another, unfinished structure, uninhabited at the time of the census, could also be used occasionally as a weekend house. The two other privately owned houses are both uninhabited, one has a for sale sign on it, while the other was closed at the time of the census and neighbours did not know anything about the owner.

The Project also requires the demolition of 18 non residential structures, such as barns, storage sheds, animal shelters, garages, etc. One structure is attached to an affected SRI house and another to the uninhabited house which is 'for sale', i.e. on the same plot of land, while all others are constructed independently of houses, on privately owned affected land. An additional 3 non residential structures on privately owned land, which are in fact ruins, will be affected by land acquisition.

The Project requires the demolition of two structures belonging to the same business (metal manufacturing). In addition, one more business will be affected as it is located in the same structure as an affected house (shop on the ground floor).

### ***Publicly owned structures and apartments***

SRI owns a number of structures in the affected area which are inhabited, mainly by current or former railway workers and their households. There are five inhabited apartments in three structures within the Stalać Railway Station complex and two more individual houses. The inhabitants of the five apartments and one house have some form of agreement or are registered by (known to) SRI. The remaining house is inhabited by an elderly woman and the basis of her occupancy of this house is unknown and has to be established by SRI.

It should be noted that there are three more individual houses owned by the Railways, which are partly in ruins and are uninhabited. These locations were visited by the census team to verify that they are uninhabited. Two more structures which will be demolished for the Project, are owned by the municipality Čičevac. One is used as office space, while the other was closed (unused) at the time of the census. In addition, a community sports field will have to be demolished.

*Table 5 Summary of affected structures*

<b>Municipality</b>	<b>Čičevac</b>	<b>Kruševac</b>
Inhabited privately owned house (registered or unregistered), one with business space	6	0
Inhabited house owned by SRI	2	0
Inhabited apartment owned by SRI (several buildings)	3 structures (5 apartments)	0
Uninhabited house or occasionally used 'weekend' house	2	2
Non residential structure (barn, storage, shed, etc.)	18	0
Structure in ruins – privately owned	3	0
Structure in ruins – owned by SRI	3	0
Business structure / premises (operational business)	2	0
Municipality office space and empty business space	2	0
Football field on SRI land	1	0
<b>TOTAL</b>	<b>42</b>	<b>2</b>

### 3.3 Summary of Identified Impacts

For easier understanding of the numerous impacts presented in previous sections and to ensure that all have been considered in the RAP development process, Table 6 summarises the expected impacts of the Project. Appropriate entitlements for people affected by all of these listed impacts are presented in the Entitlements Matrix (see section 8.1 of the RAP).

*Table 6 Summary of identified Project impacts*

<b>Type of potential loss / impact</b>
Permanent loss of privately owned (agricultural, forest, residential, commercial or any other) land
Permanent loss of access to public land for agriculture
Loss of annual crops or plants
Loss of fruit trees / vines
Loss of forest trees
Loss of any improvements made to the land (e.g. irrigation system, water well)
Permanent loss of formal (registered) or informal residential structure or apartment and physical displacement of households living in them
Permanent loss of residence (house or apartment) owned by SRI (with or without contract) and physical displacement of households living in them
Permanent loss of (or access to) formal (registered) or informal non residential structure / premises (shed, garage, business premises, well, etc.)
The need to permanently relocate an active, registered business and interruption in employment for any engaged workers
The obligation to request approval from SRI in the process of obtaining a construction permit for construction of new structures on privately owned land within the infrastructure zone.
Loss of income or livelihood associated with either of the above losses (economic displacement)
Disproportionate / more difficult impact, as a result of vulnerability
Permanent loss of municipally owned structures
Permanent loss of community sports field

### 3.4 Avoidance of Displacement

The upgrading of the existing railway line from a single track line to a double track, especially in more urban environments, inevitably requires the displacement of certain structures and therefore households living in them or businesses operating in them, as described in the previous section. However, a detailed review of the preliminary Expropriation study and field activities revealed that in some places, moving the initially planned expropriation line by a small distance, could help avoid the need to demolish an additional 27 structures (19 in Čičevac and 8 in Kruševac). Following a review by the project design team and site visits of geosurveyors, it



was finally confirmed that of the identified 27 structures 18 will be avoided (12 in Čićevac and 6 in Kruševac).

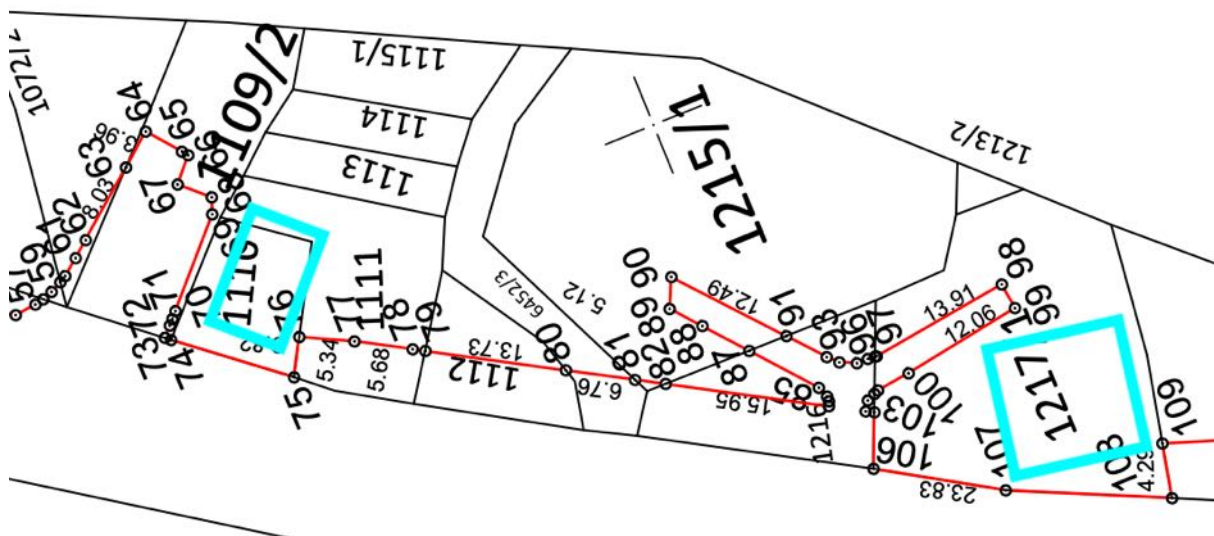
Figure 3 below shows an example where the original expropriation line (marked in red) cut across two structures which are not registered in the Cadastre and were therefore not originally drawn on the cadastral map (on the left). The structures were later identified on the Geoserbia areal photo (on the right) and their existence was verified in the field.

Figure 3 Example showing by how little the preliminary expropriation line cut across two houses



After the review of the project design team and site visits of geosurveyors, the expropriation line was minimally amended, to ensure that the two houses are avoided, as presented in Figure 4 below.

Figure 4 The changes made in the expropriation line to avoid impacting two houses



The initially planned expropriation line cut across seven privately owned houses and affected only a part of them, but only three of those houses could be avoided in the final expropriation study. One more privately owned house, behind the Đunis train station, was originally included in the expropriation area, but has since been confirmed as unaffected. This is especially important, since it is inhabited by an elderly couple who expressed a wish to remain living there, if possible.

The initial expropriation line also encompassed two apartment buildings (estimated 13 apartments), located on SRI land, which are privately owned and which are far from the planned railway line compared to other unaffected structures. In one of the affected apartment buildings there is some unused business space, as well as a space used by the local pensioners' association. Near one of the apartment buildings is an inhabited SRI house, which has also been avoided, in the final expropriation study.

In addition, by moving the expropriation line very little, one more privately owned house, uninhabited, was avoided. The owner of this house passed away and it was closed at the time of the survey.

A total of 8 non residential structures have remained unaffected, of which 3 are attached to the one avoided house behind Đunis station and one privately owned structure in ruins. Behind Đunis station is one operational business (wood processing) which has also been avoided.

To summarise, with the revision of the expropriation line, in an updated and final Expropriation study, the physical displacement of 18 households, 1 operational business and one operational pensioners' association have been fully avoided.

*Table 7 Summary of structures avoided as a result of the RAP development process*

<b>Municipality</b>	<b>Ćićevac</b>	<b>Kruševac</b>
Inhabited house (registered or unregistered)	2	2
Inhabited house owned by SRI	1	0
Inhabited apartments (two buildings, of which one with used and unused business space), privately owned on SRI land	2 structures (13 apartments)	0
Uninhabited house or occasionally used 'weekend' house (registered or unregistered)	1	0
Non residential structure (barn, storage, shed, etc.)	5	3
Structure in ruins – privately owned	1	
Business structure / premises (operational business)	0	1
<b>TOTAL</b>	<b>12</b>	<b>6</b>

### 3.5 Additional Land Acquisition

Land planned for acquisition has been identified based on the project preliminary design. However, during the detailed design process, to be carried out by the engaged Contractor, it may be necessary to carry out additional land acquisition.

Based on experience from other projects, it may also be necessary to carry out acquisition of land to enable access for construction. Land may need to be acquired even following completion of construction, anytime up to the point of receiving a use permit, if it is determined that certain impacts on people residing along the railway cannot be fully mitigated. For example, noise levels will be recorded during the operational testing of the railway, and if it is determined that in some locations noise cannot be reduced to legally allowed limits, with the implementation of mitigation measures, there may be a need to resettle individuals living in these locations. Any additional land acquisition and resettlement will require the revision of expropriation elaborates. Public interest, as the basis for carrying out expropriation, lasts until the moment when the use permit is issued and the railway is put into operation, after which further land acquisition is not possible. However, even after the railway becomes operational, if it is determined that noise exceeds allowed limits, the owner of an affected structure can approach SRI with a request for compensation for damages, including compensation for the structure which has become uninhabitable, or to request that additional noise mitigation measures are carried out on his/her structure (for example, isolation of windows).

As these future potential impacts cannot be determined at the time of developing this RAP, they will be addressed in the future, following the principles presented in this RAP. Depending on the scale of additionally needed land, as well as the identified physical and economic displacement or any other identified impacts, a RAP Addendum, or a completely new RAP, to address these impacts will have to be developed. Once the details of additional land acquisition become known, this will be discussed with the IFIs and a decision on the scope of the document will be agreed. The RAP Addendum will be disclosed by SRI for comments and consulted on, with affected people and other relevant stakeholders. Civil works will not be allowed in the specific locations covered by the RAP Addendum until all expropriation decisions are legally binding and compensation has been executed for all cases where the setting of compensation has not been referred to the court.

In addition to land that may be permanently acquired, it can be expected that the Project will also require some temporary land take for construction routes, laydown areas and camps, temporary storage of excavated materials and soil, etc. The details of temporarily needed land are not available at the time of developing this RAP, however it can be expected, based on previous experience, that additional temporary land required by the Contractor will be acquired through negotiation and amicable agreements (negotiated settlements) with the land owners and there will be no involuntary displacement.

## 4 INSTITUTIONAL AND LEGAL FRAMEWORK

### 4.1 Applicable Legislation of the Republic of Serbia

The following section provides an overview of the two laws which most directly apply to land acquisition which will be carried out for the Project, i.e. the Expropriation law and the Law on Linear Infrastructure. The Railway Law of the RS regulates the enforcing of certain land use restrictions which have already been described in section 3.1.2 of the RAP and will not be repeated here.

#### 4.1.1 Expropriation Law

The main law regulation acquisition of land and assets in the public interest in Serbia is the Expropriation Law of the Republic of Serbia<sup>2</sup>. The Expropriation Law focuses on properties and assets which may be expropriated and restrictions which may be placed on property rights, in the public interest, which is established in accordance with the law.

Public interest is established either through a separate law or by a decision of the Government of Serbia. Following establishment of public interest, an expropriation proposal is submitted by the Beneficiary of Expropriation (in the case of this Project, SRI) to the property administration in the relevant municipality (property administration) together with a set of accompanying documents, including proof that funds needed for compensation are available.

Owners of affected properties are individually invited to a hearing by the property administration and notified about the submission of the expropriation proposal. If the documentation is in order, a decision on expropriation (first degree) is passed by the municipal property administration. The affected owners can submit an administrative appeal to the Ministry of Finance, which decides in the second degree, after which the decision becomes final. If there is no further (judicial) appeal, the expropriation decision also becomes legally binding. However, the affected owner can choose to submit a judicial appeal to the relevant administrative court, after whose ruling the decision on expropriation becomes legally binding.

When the decision on expropriation becomes legally binding, another hearing must be held by the municipal property administration to discuss and determine the amount of compensation for each affected owner. In case an agreement on the level of compensation (including the timing of payment and the need to vacate the affected property) is not reached within two months of the decision on expropriation becoming legally binding, the case is referred to the courts to decide. The Beneficiary of Expropriation proceeds with the payment of compensation or provision of replacement properties, after the signing of a compensation agreement or the decision on compensation becoming legally binding.

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<sup>2</sup> Official Gazette of the RS 53/95, 16/01 – Federal Constitutional Court decision, 20/09, 55/13 – Constitutional Court decision and 106/16)

Some of the relevant key characteristics of the Expropriation Law are that it:

- Focuses on providing compensation for any affected properties and assets, rather than on addressing further impacts of land acquisition / restrictions on land use, i.e. physical and economic displacement. The law indirectly covers physical and economic displacement, but only for affected people who have formal legal rights or rights / claims that are recognisable under national law.
- Encourages amicable agreements on expropriation and compensation, however always after proclamation of public interest, rendering land acquisition 'involuntary'.
- Requires the provision of compensation which is determined in accordance with the prevailing market price of the affected property/asset.
- Foresees the possibility of providing increased cash compensation for persons whose sources of livelihoods are adversely affected. Vulnerability, in that regard, is determined by taking into account the number of household members, the number of household members capable of earning a living or who are employed, the health status of household members, the monthly income of the household.
- The Law defines a cut off date for determining the value of affected properties, and it is the date of notification of the owner that an expropriation proposal has been submitted, meaning that all investments into properties made after this date will not be considered for compensation in the valuation process (unless needed for regular maintenance and use). In practice, certified appraisers create an inventory of affected assets during their site visit and provide a valuation of all of these affected assets, effectively causing the cut off date to be the date of the site visit of certified appraisers.
- Enables owners whose assets and land are partially acquired, to request expropriation of all the remaining land and assets (orphan land), if the partial expropriation would negatively affect their economic situation or make the remaining part of the property useless or difficult to use. This request can be made even after the completion of expropriation and up to two years following completion of construction works.
- Enables compensation for land and residential and business structures to be provided in kind (replacement properties), at the request of the affected person.
- Allows for the Beneficiary of Expropriation to acquire the right of accessing the land/property, under certain circumstances (if the decision on expropriation is final), even if compensation has not been executed (e.g. affected person seeks higher compensation from the court).
- Provides administrative and judicial remedies for disputing expropriation and the amount of compensation provided for affected assets.

Solutions for addressing physical and economic displacement can be sought through cooperation with various government and non-government service providers, such as municipal Centres for Social Welfare which can provide assistance to vulnerable people, under relevant social welfare laws or the National Employment Service (NES) of the RS, which can provide

affected people with assistance for employment and training, with the aim of livelihood restoration.

#### 4.1.2 Law on Linear Infrastructure

In 2020 a special law was passed to regulate the implementation of linear projects of national importance in the Republic of Serbia and a part of this law focuses on land acquisition. The name of this law is the Law on Special Procedures for the Implementation of Construction and Reconstruction Projects of Linear Infrastructure of Particular Importance for the Republic of Serbia<sup>3</sup> (Law on Linear Infrastructure). In the field of land acquisition, the law aims to accelerate the expropriation process and to enable more efficient implementation, as it shortens the deadlines from the Expropriation Law, both for affected people and involved institutions.

The most relevant features of this law, for this Project, are:

- Public interest for expropriation lasts until the use permit for the newly built infrastructure is issued (it does not have to be renewed); if during construction additional land is affected (land not originally included in the expropriation zone), a process of concluding a settlement (amicable agreement) with the owner of land is initiated, without having to initiate expropriation;
- The law stipulates that when construction land, on which an unregistered structure has been built (and for which the legalisation process has not been completed), is being expropriated, the affected owner of the structure (the person who owns the land), has a right to be compensated for the construction value of that structure.
- If the residence of a registered owner of a property cannot be identified (and he/she has no legal representation) or if the registered owner is deceased and the inheritance proceedings have not been completed, the expropriation authority has a right to set a temporary representative. An appeal against the expropriation decision may be submitted, however this does not prevent issuing of a construction permit and application for starting construction works. It should be noted that the temporary representative does not have a right to conclude a compensation agreement on behalf of the owner (or his/her heirs); their right to claim compensation can never expire and they can do so even years after expropriation has taken place.
- The market value of affected land is determined by the Tax Administration based on the most recent registered sale purchase transactions for similar land in the vicinity of the affected land. The law allows the Tax Administration to align compensation rates with other rates provided for similar land affected by linear projects in nearby municipalities. Structures and other assets located on land are compensated as determined by the Expropriation Law.

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<sup>3</sup> Official Gazette of the RS 09/2020



## 4.2 SRI Resettlement Policy Framework

SRI has developed a Resettlement Policy Framework for the entire Belgrade to Niš railway line reconstruction project, which presents the key principles, procedures and processes that will be implemented by SRI to avoid, and where avoidance is not possible, mitigate any negative impacts in relation to the Project land acquisition. The RAP has been developed consistent with the principles and procedures from the RPF, specifying the exact impacts which will occur on the Stalać to Đunis section of the railway and how they will be addressed.

## 4.3 Applicable EBRD and EIB Requirements

Along with the obligation for SRI to follow the RPF and fulfil national legislative requirements, it also has to fulfil the requirements of international financial institutions (IFIs) which will participate in the financing of the Project. The relevant requirements which were taken into consideration during the development of this Resettlement Action Plan are:

- EBRD Environmental and Social Policy (April 2019), particularly Performance Requirement 5 – Land Acquisition, Restrictions on Land Use and Involuntary Resettlement;
- EIB Environmental and Social Standards (February 2022), particularly Standard No. 6 on Involuntary Resettlement.

In short, the standards, principles and requirements which are applicable to this Project are:

- to avoid or, at least minimise, project induced physical or economic displacement whenever feasible by exploring alternative project designs;
- where displacement is unavoidable, to develop and implement appropriate compensation, resettlement and livelihood restoration action plans;
- to mitigate adverse social and economic impacts from land acquisition (loss of housing and/or livelihoods) by providing compensation and/or resettlement options and restoration or improvement of livelihoods, regardless of whether formal legal rights on land / structures exist;
- never to resort to forced eviction<sup>4</sup>
- to provide compensation for loss of assets at full replacement cost<sup>5</sup>, in a timely manner and prior to taking possession of acquired assets, except in certain cases including absentee

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<sup>4</sup> “Forced eviction” refers to the coerced displacement of individuals, groups and communities from their homes, lands and/or common property resources (either legally owned or informally occupied) without the provision of, and access to, appropriate forms of legal and other protection, as well as adherence to the basic requirements provided for under IFI policies.

<sup>5</sup> Replacement cost” is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of the undepreciated value of replacement material and labour for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter,



owners, rejection of fair compensation offers and lengthy legal proceedings regarding competing claims;

- to improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of all displaced persons, including those who have no legally recognisable rights or claims to the land (present in the project affected area at the time of the cut off date);
- to ensure that compensation, resettlement and livelihood restoration activities are planned and implemented with appropriate disclosure of information, consultation, and the informed participation of those affected. Consultations must be meaningful and culturally acceptable.
- to make special provisions for assisting disadvantaged or vulnerable individuals and/or groups (present in the project affected area at the time of the cut off date) that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood restoration assistance and related development benefits;
- to ensure that compensation entitlement and delivery take into account gender aspects and that they are equally available to men and women and adapted to their specific needs.
- to establish a grievance mechanism to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons, including a recourse mechanism designed to resolve disputes in an impartial manner.
- to monitor the land acquisition, resettlement and livelihood restoration process and make adjustments (undertake corrective actions) to achieve the objectives of relevant policies.

The above list is only a summary of the main IFI requirements and is qualified by reference to the full text of the applicable policies<sup>6</sup>.

#### 4.4 Gaps to be Addressed Through the RAP

Table 8 highlights the key gaps between national legislation and international requirements which will be addressed through the implementation of this RAP.

A more detailed gap analyses between national legislation and all relevant IFI requirements is presented in the SRI RPF for the entire Belgrade to Niš railway line reconstruction project, while the table below only highlights gaps relevant specifically for the Stalać to Đunis section of the railway.

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replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety.

<sup>6</sup> EBRD Environmental and Social Policy from 2019 - <https://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html>

EIB Environmental and Social Standards from 2022 - <https://www.eib.org/en/publications/eib-environmental-and-social-standards>

Table 8 Gaps between EBRD/EIB requirements and national legislation, as well as measures to address them

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
Compensation for informal structures	Clients (project developers) are required to mitigate adverse social and economic impacts from land acquisition (loss of housing and/or livelihoods) by providing compensation and/or resettlement options and restoration or improvement of livelihoods, regardless of whether formal legal rights on land / structures exist.	National legislation stipulates that when construction land, on which an unregistered structure has been built (and for which the legalisation process has not been completed), is being expropriated, the affected owner of the structure (the person who owns the land), has a right to be compensated for the construction value of that structure. This means that any owners of structures constructed on agricultural land, for which a legalisation request has not been submitted, would not be eligible for compensation for these structures. However, in practice, all affected structures are appraised and compensated at full replacement cost.	All affected structures, regardless of their legality and regardless of the status of land they are located on (including agricultural land), have been identified during the development of the RAP and will be compensated at full replacement cost.
Informal land users	Clients (project developers) are required to improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of all displaced persons, including those who have no legally recognisable rights or claims to the land (present in the project affected area at the time of the cut off date).	There are no legal requirements obligating SRI to identify and address informal land use. Analysing national legislation and local practices, it can be determined that informal land users have the right of participating in expropriation hearings and claiming their rights to compensation for any affected crops or trees that they planted and farmed, as well as any improvements they made to the land. However, there are several factors contributing to this being a rare occurrence. Informal land use occurs most often when owners do not have an interest in farming the	Efforts to identify informal users of affected land were made during the development of the RAP. The Project will continue to make best efforts to identify any such users of land, to be able to compensate them for their losses or assist them, in line with their specific needs, particularly if they can be categorised as vulnerable.

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
		<p>land they own themselves and in such cases, allow one of the local people who are actively farming, to use their land too, often without any financial gain, and only for the benefit of maintaining the land (preventing weeds, shrubs and bushes from growing) and fulfilling their obligation to actively use agricultural land for agricultural production under the Law on Agricultural Land<sup>7</sup>. These agreements are often verbal informal agreements and in such cases, users plant annual crops, rather than any fruit trees or perennial crops. As the land acquisition process often lasts a long time and construction is often delayed, annual crops are harvested and therefore not compensated. If not, users would be able to claim their rights to compensation, but with the burden of proving that they own the crops, if the owners who gave them permission did not confirm this, or if the owners did not know about the land use (the owners were unaware that someone else is using their land).</p> <p>Connected to this issue is the issue of identification of informal land users (to include them in a census). In practice, if cases of informal land use do occur, they can be identified when the geosurveyors visit the project footprint to carry out the construction</p>	<p>Eligibility of persons with no legal rights or claims to the land they occupy (informal users of affected land), will be determined based on their presence in the Project affected area, in the future, at the time of site visits carried out by certified appraisers of affected land to carry out inventory of assets and their valuation or at expropriation hearings.</p>

<sup>7</sup> Official Gazette of the RS 62/06, 65/08 – other law, 41/09, 112/15, 80/17 and 95/18 – other law)

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
		<p>stakeout surveys of land and record what it is being used for, or by certified appraisers also conducting site visits, either through discussions with the owners or with other people using land nearby. Generally, informal use of privately owned land, without the knowledge of the owner, is extremely rare and if such cases do occur, they involve public land more often.</p>	
<p>Assistance (Beyond Compensation) to Affected People</p>	<p>Clients (project developers) are required to improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of all displaced persons.</p> <p>Clients (project developers) are required to make special provisions for assisting disadvantaged or vulnerable individuals and/or groups (present in the project affected area at the time of the cut off date) that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood restoration assistance and related development benefits.</p>	<p>In line with the Expropriation Law, SRI has the option of offering increased compensation to an affected owner in case of vulnerability, however there is no firm legal obligation in the law for SRI to assess the vulnerability of affected people and provide them with additional assistance. During expropriation hearings, owners (and interested third parties) have the opportunity to state any specific circumstances which need to be taken into account during expropriation. In practice, at these hearings, affected people often inform the property administration representatives if the land is extremely important for their livelihoods, if they have difficulties understanding the process and what they need to do (administrative tasks that they need to complete), if they do not have a bank account and need help opening one, if there are any disputes with other people regarding the land,</p>	<p>The need for resettlement assistance, livelihood restoration and vulnerability aspects of displacement were taken into account during the development of the RAP.</p> <p>The RAP describes assistance measures which will be implemented in addition to financial compensation where applicable (assistance for physical displacement, livelihood restoration and enhancement measures and vulnerability assistance). The RAP also describes the process and organisational arrangements for identifying individuals in need of assistance and providing it.</p>

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
		<p>if they have difficulties to attend the hearings, if they need more time to physically relocate, etc.</p> <p>Generally, provision of any assistance beyond financial compensation to affected people is not required under national legislation, although there is no barrier to providing such assistance and the mechanisms for providing them exist, under numerous laws.</p>	
Assistance to Employees of Affected Businesses	<p>In the case of businesses experiencing temporary losses or having to close as a result of project-related displacement, Clients (project developers) are required to provide additional targeted assistance and opportunities at least to restore, or where possible improve, their income-earning capacity, production levels and standards of living of both the owner of the business and employees losing pay or employment.</p>	<p>According to national legislation, SRI has an obligation to compensate an affected business and cover all losses associated with the operation of the business, as determined by certified appraisers. However, it is expected that the owner of the business will make all arrangements with his/her workers, who may suffer some temporary interruptions in employment or permanent loss of work, in accordance with the Labour Law<sup>8</sup>. SRI, as the beneficiary of expropriation has no obligation to monitor these arrangements or to offer any additional assistance to affected employees, whose only course of action is to request their rights as defined under the Labour law.</p>	<p>The RAP describes measures for avoiding to cause an interruption of business activities, which can lead to lost net income and loss of pay / employment for business employees. If net income losses for businesses do occur, the owners of business activities will be compensated for such losses, based on reports of certified appraisers. The appraisers will also include in the valuation the costs associated with employee salaries during the transition period (period when the business is not operating), if such a period occurs and</p>

<sup>8</sup> Official Gazette of the RS 24/05, 61/05, 54/09, 32/13, 75/14, 13/17 – decision of the Constitutional Law, 113/17, and 95/18 – authentic interpretation)

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
			<p>business owners will be able to pay their employees.</p> <p>The RAP also specifies that employees of affected businesses registered during the census/survey will be entitled to provision of targeted livelihood restoration assistance and/or employment opportunities, including those provided by the Project.</p>
Depreciation of Assets	<p>Clients (project developers) are required to provide compensation for loss of assets at full replacement cost. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of the undepreciated value of replacement material and labour for construction of structures or other fixed assets, plus transaction costs.</p>	<p>In accordance with national legislation, when appraisers calculate the value of affected structures, they include depreciation in the calculation and reduce the proposed compensation amount accordingly.</p>	<p>Replacement cost of informal residential and business structures (built without construction permits and not registered in the Cadastre) as well as non residential structures, will be calculated as the cost of rebuilding a structure of similar characteristics in another location, including materials, costs of labour and any transaction costs (i.e. the construction value of structures) and the compensation amount will not be reduced on account of depreciation.</p>

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
Obligations (and Losses) in Connection to Land Use Restrictions	Clients (project developers) are required to address impacts of project-related land acquisition, including restrictions on land use. Restrictions on land use refers to limitations or prohibitions on the use of agricultural, residential, commercial or other land that are directly introduced and put into effect as part of the project. These may include restrictions on land use within easements or safety zones.	As a result of land use restrictions which are to be enforced in the two zones defined along the railway corridor during the operations phase (infrastructure zone and fire safety zone), some owners of land may suffer losses. This applies in cases when someone submits a request for a permit to construct a new structure within the infrastructure zone and fulfils the urban plan requirements, but is denied the permit by SRI (due to the possibility of jeopardising railway operations or the planned structure itself). It should be noted that such cases occur rarely in practice and SRI most often issues approvals for construction. Losses may also occur when owners of land where trees need to be removed or any other fire safety measures need to be applied, have to finance these activities from their own sources. This too is a rare occurrence in practice and SRI most often finances any needed land clearance activities.	<p>The RAP includes measures to address possible impacts, as follows:</p> <p>SRI will grant approval in all cases when the safety of the railway and the planned new structure is not jeopardised.</p> <p>In cases when that is not possible, SRI will cooperate with the owner of the land and suggest changes that need to be made on the planned structure or its location, so that approval may be granted.</p> <p>The RAP also includes the obligation to compensate affected people for any losses of crops and trees, caused by land use restrictions.</p>
Severance impacts	Clients (project developers) are required to identify and address impacts on incomes or livelihoods that are not a direct result of land acquisition or land use restrictions, as part of the environmental and social impact assessment process in	There is no firm legal requirement for consulting affected people and communities about the locations of overpasses and underpasses to be able to cross the railway and access their land on the other side of it, both during construction and operation. National legislation requires that all official roads must remain unaffected by the railway	This impact, which could indirectly affect livelihoods, will be addressed through consultations with local communities, as described in the Project Stakeholder Engagement Plan.



Issue	EBRD/EIB requirement	National legislation	Measures to address gap
	<p>accordance with EBRD PR 1 requirements.</p>	<p>(there has to be an underpass or overpass enabling the road to cross the railway), however it does not have any requirements for unclassified roads or agricultural access tracks. Because of this, what may happen both during construction and even more so, during operation, is that some land users have to travel greater distances to be able to cross the railway to access their land on the other side of it, leading to economic losses over time.</p>	
<p>RAP Development and Implementation Requirements</p>	<p>Where displacement is unavoidable, Clients (project developers) are required to develop and implement appropriate compensation, resettlement and livelihood restoration action plans.</p> <p>Clients (project developers) are required to establish a grievance mechanism to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons, including a recourse mechanism designed to resolve disputes in an impartial manner.</p> <p>Clients (project developers) are required to monitor the land acquisition, resettlement and livelihood restoration process and</p>	<p>In the case of expropriation, national legislation does not require the development and implementation of resettlement or livelihood restoration plans, nor does it require setting up and implementing a grievance mechanism or monitoring resettlement and evaluating the outcomes of land acquisition and resettlement.</p>	<p>This document is the RAP, developed in line with IFI requirements. It includes provisions for setting up and implementing a grievance mechanism as well as monitoring the land acquisition, resettlement and livelihood restoration process.</p>

Issue	EBRD/EIB requirement	National legislation	Measures to address gap
	make adjustments (undertake corrective actions) to achieve the objectives of relevant policies.		

## 5 METHODOLOGY FOR DATA COLLECTION AND STAKEHOLDER ENGAGEMENT

### 5.1 Approach to Data Collection

SRI provided the RAP consultants with the expropriation elaborate for the Stalać - Đunis section of the Belgrade – Niš railway, which was prepared based on the Project preliminary design. The elaborate comprises a list of affected land plots (by plot number), their total area, the area which will have to be acquired, the owner(s) of the plots, the registered use of the land (e.g. field, forest, structure), the planned use of the land (agricultural and construction land). The elaborate also contains maps, showing the expropriation line and how it cuts across the affected land plots and registered structures. In addition, SRI provided information on the use of land plots and other assets (apartments and houses), owned by the company and preliminary field reports from geo-surveyors on project affected structures. The expropriation area was also transferred into a Google Earth file, to be able to see potential impacts on structures and other assets which are not registered in the Cadastre and therefore not visible on cadastral maps.

Based on all of the information provided and publicly available registries, particularly the digital platform Geosrbija (<https://geosrbija.rs/en/>), the consultants created a list of structures whose occupancy and use needed to be investigated in the field, which was then completed as described in section 5.4. It is important to mention that this type of review was needed, as many structures in the affected area are not formally recorded in the Cadastre and could only be identified using the aerial photos on Geosrbija and Google Earth. In addition, the consultants recorded any other plots where the information from previous reviews was incomplete and even marked an area where there appeared to be some (informal) use of public land, as a garden.

### 5.2 Engagement with Municipalities

SRI informed affected municipalities about the preparation of the RAP and announced that they would be visited by the RAP consultants to discuss the development of this document in more detail and to collect some preliminary information. The consultants met with the Mayor of Čićevac and her Deputy, and then met with the Head of the Department for Emergency Situations of the City of Kruševac on August 25<sup>th</sup> 2021. The consultants explained the standards that will be used in the development of the RAP.

The main feedback received from the municipalities in relation to the Project was:

- The Project is seen as a great opportunity for the municipalities, as the upgrading of the railway is expected to generate growth in every sphere of economy;
- The area is abundant in cultural heritage and tourism could flourish if people had better access from cities and other parts of the country;

- The municipality Čičevac is concerned of the potential cumulative effects of land acquisition for the Project and Moravski Corridor Highway (already under construction), because agricultural land is important for local people. The municipality believes that the expropriation compensation rates which will be offered to people have to take this into account;
- The municipality Čičevac is aware that the small factory (metal processing) will need to be relocated for the Project and its representatives stressed how important this business is for the local community, as it employs between 80 and 100 local people;
- The municipality Čičevac reviewed the expropriation study and determined that the ownership of some of the municipal roads will now be transferred to SRI. The municipality stresses the importance for the company to maintain these roads, as they are very important for local people. The municipality used its very limited resources to upgrade some of the local roads and these must be kept in good condition during and after construction;
- The municipality Čičevac also has questions on other parts of the Belgrade to Niš railway, particularly the sections going through the town and how the railway crossings will be designed. Generally overpasses and underpasses are important for local people and they need to be informed about them;
- The municipality Čičevac pointed out that some of the railway stations and stops will be closed when the railway is upgraded and that this will be a problem for people living in the villages which will be affected by these changes;
- The municipality Čičevac is interested what will happen with parts of the old railway which will be closed and if it would be possible for SRI to finance the conversion of this space into a local park (a linear park) which would be a significant resource for local people but would also contribute to attracting more tourists;
- In Kruševac, the reason for SRI selecting to cooperate with the Department for Emergency Situations is the fact that the head of this department knows the affected area very well, including from having to cooperate with the local community Đunis and the people living there in cases of flooding, which are growing more frequent in recent years;
- It is important for the Project to take flooding into account and identify opportunities to address some of the critical areas along the Project footprint, if possible;
- The municipality Kruševac has experience with expropriation and resettlement and will use all possible resources to ensure that people are assisted to relocate and restore their livelihoods.
- Both municipalities expressed a strong commitment to cooperate with SRI and ensure that everything is well organised and coordinated, to ensure good outcomes for the local population.

A second meeting was organised in SRI offices in Belgrade on October 12<sup>th</sup> 2021, which was attended by the same participants from the municipalities as from the previous meetings and the aim was to make concrete plans for local community meetings and the socio economic survey. The municipalities were asked to assist SRI and the consultants, by making logistical

arrangements for the meetings including contacts with presidents of local communities, identification of appropriate dates and times of meetings having in mind when the majority of people would be available to attend and venues, also having in mind the current Covid protocols. The municipalities were also asked to assist the consultant team in identifying potential local surveyors, preferably younger and unemployed persons (students) from the local communities, which would also be a contribution of the Project to these communities.

The meeting was also attended by representatives of the team which prepared the preliminary project design and the municipalities had the opportunity to ask some additional questions in relation to the design for the Stalać-Đunis section of the railway.

### 5.3 Engagement with Local Communities

Local community meetings were held in three locations. In Trubarevo and Đunis, which are more agricultural areas, the meetings were held on a Friday afternoon (03.12.2021.) to enable people otherwise engaged in farming activities to attend. In Stalać, which is more urban, the meeting was held on a Saturday morning (04.12.2021.), to enable people who are employed to attend.

The presidents of local communities informed local residents and businesses about the meetings, targeting particularly people living or working along the project footprint, who are expected to be the most affected by the Project. As there are very few affected owners of land from Braljina (another village in Čičevac municipality), the residents of this village were informed about the meetings in Trubarevo as well as in Stalać, by the president of their local community, and could attend either one of them.

The meeting in Trubarevo was held in a local building used for all community gatherings and was attended by approx. 30 local residents, of whom 6 from Braljina (and approx. 5 women in total). The meeting in Đunis was held after the meeting in Trubarevo, in a community facility within the local church yard and was attended by approx. 25 individuals, of whom only a few were women. The meeting in Stalać was held in the local community meeting building attended by approx. 30 individuals of whom approx. a third were women. Photos from the three events are provided in Figure 5 below.

The surveyors from Čičevac attended the meetings in Trubarevo and Stalać, so that affected people would see them and know that they are acting on behalf of the Project. In Đunis, the surveyors could not attend, however the participants were informed about who they are, as both live in Đunis and local people know them.

The SRI RAP Manager showed a map of the Project, and with assistance from the RAP consultants explained some of the main features of the Project, the process of land acquisition and expropriation, announced the socio economic survey and its purpose, invited people to cooperate in the land acquisition process, provided some preliminary timelines and stated that there will be more meetings in the future, where some of the questions which cannot be

answered now, will be answered. SRI left copies of Project maps in the local communities, as well as the contact details of the SRI RAP Manager for any questions or comments people may have.

Meeting participants asked different questions in relation to the Project, including questions on whether the train stops in their communities will be closed, will the Project contribute to resolving some flooding issues with construction of barriers, will noise barriers be used in inhabited areas, who will repair local roads if they are destroyed during construction, where will the overpasses and underpasses be and will they be wide enough for large agricultural machines to pass through them, so that people can continue to farm their land on the other side of the railway line, etc. Questions, pertaining directly to land acquisition, which were taken into account during the development of the RAP and answered in the document, were: what if only a part of my plot is affected and the remaining part cannot be used anymore, what will be the compensation rates which will be applied, have any land plots already been acquired for the Project, the access road to my house will be acquired, what if I cannot access my house anymore. A detailed presentation of all the questions asked by local people as well as the answers provided are presented in the Project Stakeholder Engagement Plan.

At the end of the meetings, people were asked to write down their contact details if they wished to be contacted for the socio economic survey, assuming their properties are affected. This was a way of collecting some of necessary contact details to assist the surveyors in finding affected people, but it will serve SRI and the property administration for inviting people to expropriation hearings, as well.

*Figure 5 Community meetings in Trubarevo, Đunis and Stalać (03 and 04.12.2021)*



After completing the community meetings, SRI representatives, the Deputy Mayor of Čićevac and the RAP consultants held a separate meeting with the owner of the affected metal processing factory and members of his household, as the need to relocate some of these business facilities is the most significant impact of the Project. They discussed ways of cooperation during the land acquisition process, to ensure an agreement is reached if possible, and the impact is reduced to a minimum, for all involved parties.

## 5.4 Implementation of the Socio Economic Survey

During September 2021, the RAP consultants developed draft socio-economic survey tools (questionnaire, consent form and survey instructions) and then finalised them during November 2021 based on feedback from SRI.

At the beginning of December 2021, the consultants engaged 6 young people (three women and three men), from the local communities to carry out all field activities, in teams of two. Their task was to physically verify the existence of certain buildings in the field, to identify the use of the buildings and the user, if possible, to identify any informal land use and who is using the land, to record their findings and to carry out socio economic survey interviews. The RAP consultants organised a training for the surveyors on 04.12.2021. in Stalać, which included discussing the mentioned details of the assignment and all of the survey questions individually, with examples of possible responses and how they should be recorded.

The consultants marked all plots where the survey was obligatory and this included: wherever there is a recorded structure, wherever there were reports of a possible structure and wherever it appeared from aerial and Google Earth images that there are structures. For these plots, the surveyors had to attempt to carry out the interview, if the affected person could be identified and if he/she accepted to participate.

The consultants then marked a second group of plots, for which the surveyors should attempt to find the owners and interview them. In selecting these plots, the consultants targeted plots which will be partially affected on which there are some unaffected residential structures, because this raised the chances that the owners could be found and interviewed. From all available feedback, finding owners will be one of the main challenges in the implementation of land acquisition, because many people have left the area in previous decades, mainly moving to larger urban areas and some moving abroad. The consultants also selected land plots used for agriculture, some fully affected, some partially, as well as forest land, to ensure a mix of different situations were recorded.

The surveyors provided each interviewed person with contact details of the RAP consultants, if they had any questions or comments about the socio economic survey. At the end of each survey interview, the interviewed person was asked to sign a form giving consent for the use of data for the preparation of the RAP.

The socio economic survey interview was carried out with 89 individuals who are users and/or owners of land and assets (24 women, 65 men) and their household members. The following were interviewed:

- 79 households who own (fully or partially) 180 affected land plots (this also includes households who use land owned by a family member)
- 3 households who rent 3 affected land plots

- 7 households who own 7 houses. Of these, five houses are fully impacted and the households living in them will have to be physically displaced. The remaining two houses have been avoided with the revision of the Expropriation study
- 5 households that reside in SRI owned apartments (on public land), who will be physically displaced
- 2 households that reside in SRI owned houses (on public land), one of whom will be physically displaced and the other who has been avoided
- 2 owners of affected business structures, one which will have to be relocated and the other that has been avoided. The household which will be displaced, besides owning an affected house, also owns business structures that will be fully acquired (metal processing factory).
- 10 owners of 21 affected non residential structures such as barns, sheds, etc. (3 of the affected structures are in ruins).

The survey teams recorded information on an additional 56 land plots and all structures located within the expropriation zone, which were uninhabited/unused. The survey teams attempted to identify, contact and interview the owners and/or users of these and other affected land plots, however in most cases the owners had either moved elsewhere (other parts of Serbia or abroad) or had passed away and their heirs are not residing in the Project area. Only three identified owners refused to participate in the survey and one household did not give consent for use of data after the survey interview was completed.

## 5.5 Socio Economic Profile of Affected Communities

The socio economic survey was carried out with 89 impacted households, 38 of whom reside in Stalać and 6 in Trubarevo (Ćićevac municipality) and 45 that reside in Đunis (Kruševac municipality). Trubarevo and Đunis are rural villages, geographically close to each other although territorially belonging to different municipalities. As can be seen in this section of the RAP, their residents often have more in common with each other than with Stalać, which is a more urban environment.

The surveyed households comprise a total of 302 individuals and the average size of a household is 3,39 members, as presented in Table 9. In Stalać, as the most urban area, the household is largest, which is contrary to the situation at the level of both municipalities and the republic level, where households in rural communities comprise more members than in urban areas<sup>9</sup>. This could be explained by the fact that the two affected rural communities are unfortunately areas with significant outmigration and an aging population, particularly the village Trubarevo.

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<sup>9</sup> Official population census, 2011 (Average size of urban household – 2,77; average size of other household – 3,05)



Table 9 Number of surveyed households, their members, average size of a household, per village

Municipality	Total number of surveyed households	Total number of household members	Average size of household
Stalać	38	137	3,61
Trubarevo	6	16	2,67
Đunis	45	149	3,31
TOTAL	89	302	3,39

Consistent with the above, there is a higher percentage of single and two member households (mostly elderly households) residing in Trubarevo and Đunis, than in the urban Stalać area, as shown in Table 10. Again, this is particularly the case in Trubarevo, while in Đunis there is also a sizeable percentage of households with more than 4 members.

Table 10 Household size, per village

Municipality	1 member	2 members	3-4 members	5-6 members	7+ members
Stalać	14%	11%	51%	22%	3%
Trubarevo	29%	43%	14%	14%	0%
Đunis	22%	16%	36%	22%	4%
TOTAL	19%	16%	40%	21%	3%

When analysing data on single headed households, out of a total of 17 such households, 12 are elderly individuals over the age of 65 (6 men and 6 women).

Reported heads of households are in a significantly higher percentage men (76%), than women (24%), which is even less than the overall percentage of women who are owners of affected assets (34%), most likely signifying that the majority of the interviewed population can be characterised as supporting a traditional value system.

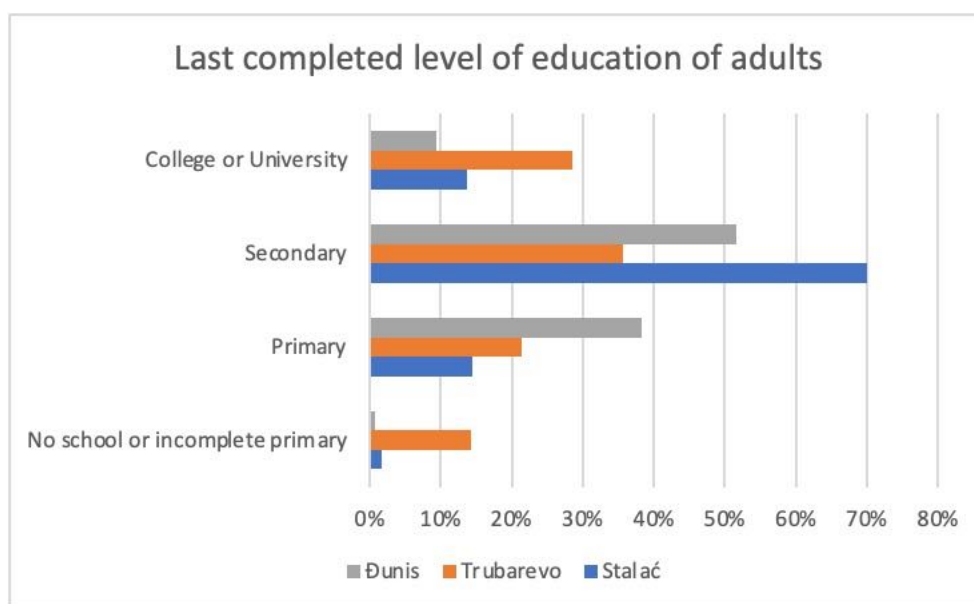
The average age of all surveyed household members is 46,5 which is above the national average of 43,4 as well as the average in both municipalities. The working age population comprises close to 60% of the population, while the percentage of elderly, over the age of 65 is very high at 27%, compared to children under 18 (14%). Almost all affected people declared themselves as Serbs, with only one person who declared himself as Macedonian.

Looking at the last completed educational level of surveyed adults, the majority have completed secondary school (12 grades). The differences between the three villages are presented in Figure 6. Trubarevo stands out as the village that has the highest percentage of adults with incomplete primary education, and on the other hand the highest percentage of adults who have completed college or university. When analysing data in more detail, it can be seen that the majority of individuals who have lower levels of education are elderly people, particularly elderly women (in all three villages, regardless of whether they are urban or rural). Younger generations have higher levels of education and women are even slightly ahead of

men when it comes to college and/or university degrees (15 men, 17 women). This is complementary to the situation in the rest of the country.

There are no issues with primary school drop outs among the younger generation (obligatory 8 grades), and the vast majority continue to complete at least secondary school.

Figure 6 Last completed level of education of adults, by village



Around 10% of the affected population in each municipality reported having a disability or chronic illness (16 persons in Stalać and Trubarevo and 14 in Đunis) and approx. one third of them (persons with various physical or mental disabilities), receive some form of social assistance on account of that health status (disability payments or disability pensions). Of those who stated that they do not receive assistance on account of illness or disability, the majority listed pensions as a source of income, while those who did not declare any source of income, mainly suffer from various tumours, as well as chronic asthma or diabetes.

As high as 22% of individuals between 21 and 64 years of age, reported that they are unemployed and looking for work, however only half of them are registered at the National Employment Service (NES). The percentage of registered unemployed persons is consistent with the unemployment rates in Čičevac (13.5%) and Kruševac (11.5%), at the beginning of 2021. It is likely that a number of individuals reported being unemployed in hopes that the Project may bring in some employment opportunities which are better than what they are currently engaged in, including agriculture. More than half of those who reported being unemployed are women (60%) and the majority of them are between the age of 30 and 60 and have completed secondary school.

Around 67% of households (40% of individuals) reported their primary and secondary sources of income, while the rest chose not to provide this information. Overall, pensions are the

primary source of income for 63% of individuals and even more so in Trubarevo and Đunis. Salaries (work) are the primary source of income for 34% of individuals overall, whereas this percentage is much higher in Stalać (45% - salaries and 50% pensions). Agriculture is reported as a primary source of income for only 2% of individuals. Only 9 households reported having a second source of income and it is agriculture for everyone, except one household, whose secondary source is the wood processing business that has been avoided in the updated Expropriation study.

An even lower number of households and individuals reported their annual net earnings from various sources of income, however a few conclusions can be drawn. Lowest pensions start at 100 EUR per month (agricultural pensions) and for the majority of affected people go up to around 300 EUR per month, which is consistent with national averages. A limited number of people reported their incomes from salaries and of those that did, the average net salary is around 450 EUR per month, which is lower than the national average (of over 600 EUR, in January 2021). Earnings from agriculture have been reported in too few cases to draw any significant conclusions. Taking into account the data provided by a limited number of households on their average total household incomes, it can be concluded that the average monthly income of a household is around 500 EUR.

Of the 89 interviewed households, nine reported that they do not own or use any other land than what is affected by the Project and most of them live in a SRI owned apartment or house. A total of 76 households own other land, of which 15 own less than 1 Ha while others own 2, 3, 4 or more ha (several as much as 10, 12 ha). A total of 16 households rent some additional land for use and of these, only three are from Stalać town, while the rest are all from the village Đunis. On average, people rent an additional 1 to 2 ha of land.

A total of 62 interviewed households stated that someone from the household engages in agriculture and on average two household members engage in this work. Of these, two households also engage help for agricultural works. An additional 11 households stated that no one from the household works in agriculture, but they engage help, most often one or two people.

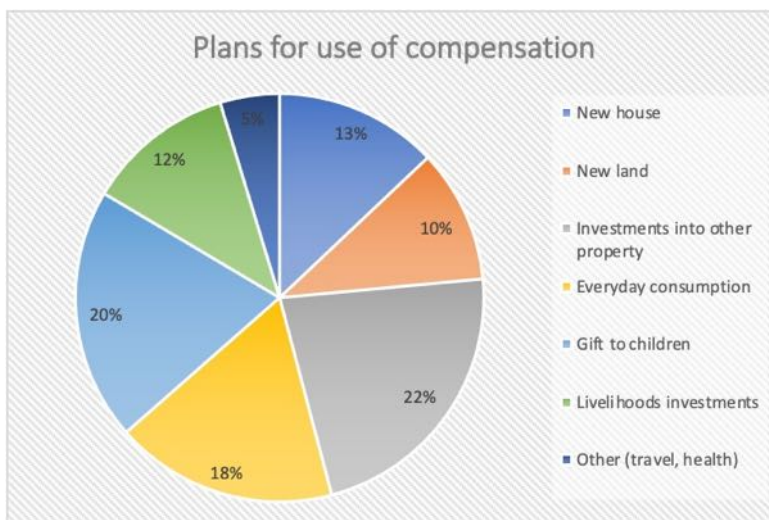
A total of 55 of the interviewed households own a tractor and the vast majority of them also own various agricultural implements and attachments, while an additional 4 households own smaller motocultivators. One person reported borrowing a tractor when needed and an additional three people reported that they rent a tractor.

In terms of use of affected land, there is a difference between the different types of affected villages. In the urban area of Stalać, the affected land plots are used for small fruit orchards and vegetable gardens, while in the rural locations (Trubarevo and Đunis), where larger, agricultural, land plots are affected, corn is by far the most cultivated crop, followed by wheat. The vast majority of households reported that they keep a 100% of what they produce for household consumption, while 14 households (16%) reported that they sell 30 or more percent of their harvest/produce.

A total of 11% of the interviewed households keep some animals on the affected land plots and all, except one, are in the more urban areas in Stalać. The majority of these households keep poultry or pigs, while only one household reported keeping beehives on the affected land. Half of these households sell some animals or animal products, while the other half use them for household consumption.

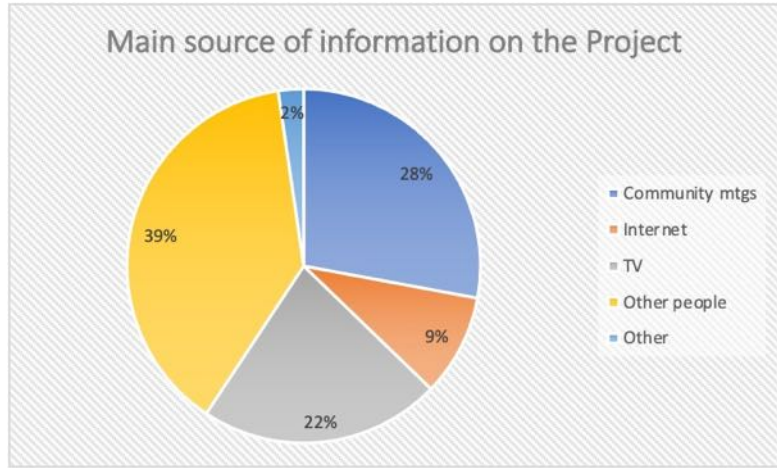
Looking at plans for compensation of those who responded to this question, the majority of households plan to spend it on new property (45%). Those who are planned for physical displacement (including those whose houses have been avoided in the updated Expropriation study) specified that they will invest into a new house (13% of all interviewed households), while around 11% stated that they plan to purchase new land. An additional 22% stated that they plan to invest into other property, but without specifying the type of property. Everyday consumption and gifting children make up one fifth of the responses each, while livelihood investments (which mostly involves purchase of new agricultural machinery) make up around 12% of the responses.

*Figure 7 Plans for use of compensation of all interviewed households*



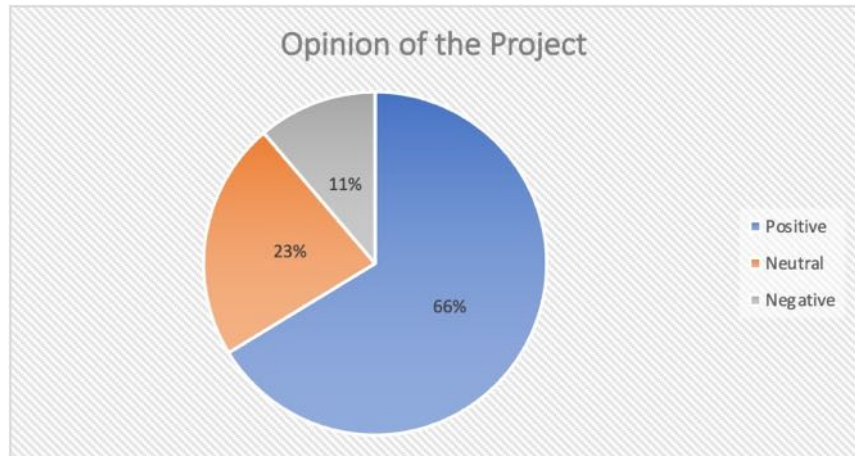
One third of respondents participated in the community meetings which were their main source of information on the Project. Close to 40% of people's main source of information are other people and it is expected that a significant percentage of them were actually informed by community meeting participants. This signifies the importance of having direct communication with people in the field, rather than relying on other forms of communication.

Figure 8 Main source of information of all interviewed households



The majority of the interviewed households stated that they have a positive opinion of the Project. The reasons given by the respondents mainly refer to the fact that the upgrading of the railways will contribute to local development, as well as economic growth at the national level. Those who have a negative opinion of the Project stated that they feel this way because they will be physically displaced (or their business will have to be relocated) as well as generally that their property will be affected.

Figure 9 Opinion of the Project of all interviewed households



In the municipality Čičevac, in Stalać town, as high as 47% of the households (of the 38 surveyed households from Stalać) have had their land recently expropriated for the Moravski Corridor highway project. The majority of people lost very small areas of land for this linear project, however, five of them lost between 0,8 ha and 2,2 ha.

## 5.6 Description of Households and Businesses which will be Physically Displaced

Of the owners of six privately owned affected houses, five were surveyed and these households comprise 19 members.

One household (6 members) runs a metal manufacturing business and some of the business facilities are located next to the house, and are also affected by the Project. This includes the production plant and tools storage, the administrative building and some garage space. Additional business facilities, located across the street, will not be affected by the Project. At the time of the survey, the business employed 80 individuals on a permanent basis and 7 on temporary contracts. The owner of the business intends to relocate all affected assets to another location (in the vicinity) and continue to operate the business.

Four other affected households all live in a row along the street which runs parallel to the railway. Two houses belong to extended family members and one is inhabited by a household of four members and the other by a household of six members. Only one is a small child, while another, a young adult, is suffering from cerebral palsy. Two adults from these households are unemployed and registered with the National Employment Service. The remaining two houses are inhabited by elderly people over 70 years of age, one by a couple and another, by a single woman.

The elderly households reported pensions as their sources of income, and one reported owning 2 ha of other land, as well as agricultural machines. The other households did not report having any other land, although they did state that they own agricultural machines and that two household members engage in agriculture. All households stated that they plan to invest their compensation into new houses and one owner added that she will also gift her children and use a part of it for everyday consumption. Three of the four households attended the community meetings and one was informed about the project through the internet. Two 'younger' households have a neutral view of the project, while the two elderly households are positive, as it will bring local development.

The affected household which is also to be physically displaced, but refused to participate in the survey, lives in a house near the manufacturing business. At the ground floor of the house is a food shop, also a registered and operational business. As the owner declined to participate in the survey, there is no further information on the residents and the business.

The Project also requires the relocation of 2 households living in SRI owned affected houses and 5 households living in SRI owned affected apartments. One house is occupied by an elderly woman, who according to the neighbours, is suffering from dementia, and she was not interviewed by the surveyors. SRI has no records of the woman and the basis for her occupying the house (i.e. if she received permission from anyone and whom), however this is not the first such case encountered by SRI and the company is intending to provide her with other suitable accommodation, with sustainable tenure.

Of the households living in the SRI owned apartments, four have some form of legal or other basis for using the property (former or current employees of railways, with or without contracts), while two have no legal basis. One of the two households with no legal basis is a middle aged man, living alone, who reported having a physical disability (impacted leg) but provided no other information. The other household comprises a woman head of household and her adult son. This household's income is based on the woman's pension and her son's employment wages.

The four remaining households comprise 3 members (2 households) or 4 members (2 households). One household comprises an elderly couple (72 and 71 years of age), who both have pensions, with an adult daughter who is employed and they have been occupying the apartment since 1996. Another household comprises of a couple (60 and 59 years of age) with an adult son and they have been in the apartment since 2009. The household did not report any income, however the head of household's wife reported being unemployed. The third household comprises of a couple (62 and 55 years of age) with two adult children one of which is studying at the University. The head of household has a pension, while his wife and one adult daughter have reported being unemployed and they too have been living in the apartment since 2009. The final household comprises a middle aged couple (41 and 35 years of age) with two school age children. The household did not provide information on their income, however according to SRI records, the head of household is an employee of Serbia Train.

Assuming that all of the households living in SRI properties have no other place of residence or property, they can be considered more vulnerable and in need of assistance, primarily with the provision of other appropriate accommodation, with security of tenure and assistance to move all of their belongings. However, as some of the households also reported having elderly and/or unemployed members, it is expected that they will be in need of livelihood restoration assistance. Additional forms of assistance will most likely have to be provided to the elderly woman living in a SRI owned house and the man living in a SRI owned apartment, both with health issues.

Taking all of the above into consideration, the Project is expected to cause physical displacement of an estimated 39 individuals. In addition, an estimated 90 employees may be affected with the relocation of two businesses.

## 6 KEY LAND ACQUISITION, COMPENSATION AND ASSISTANCE PRINCIPLES

The principles guiding any current or future land acquisition for the Project, agreed by SRI as the key responsible entity, are as follows:

- If additional land becomes needed as a result of changes in the project design (final design) or the execution of construction (currently unknown), alternatives will be explored to avoid or at least minimise physical and economic displacement. Depending



on the scale of additional land acquisition and the expected impacts, a new RAP or a RAP Addendum will be prepared, disclosed and consulted on to address these impacts, as agreed with the IFIs;

- Meetings will be held in local communities along the Project footprint in the final design stage, to clearly present all planned underpasses and overpasses, hear the views of local residents in relation to access to their land and make changes if possible, to accommodate their needs. Before the start of construction, the same process will be organised to ensure that people have information about how and where they can access their land on the other side of the railway (construction site) and the contact details of the Contractor for any grievances;
- All available measures to identify owners and users of affected land and contact them will be undertaken, and only in exceptional cases where such measures did not yield results, temporary representatives will be appointed for them in the expropriation process;
- Informal land users, including any vulnerable people, affected by land acquisition will be identified and will be assisted based on their specific needs, discussed with them during expropriation hearings;
- Compensation for any affected assets will be provided at full replacement cost, regardless of whether they are formally registered or not;
- In case of physical displacement, compensation will be provided prior to taking possession of acquired assets; in cases of acquisition of only land, as a rule, compensation will be provided when expropriation decisions are legally binding and prior to land entry and any civil works, while the only exception may be if the affected owner cannot be identified, contacted or is seeking higher compensation from the court. In such cases, compensation will be executed after all legal actions have been completed in accordance with the law;
- All compensation and assistance will be provided equally to men and women;
- A grievance mechanism will be implemented through which all affected people can submit their complaints and grievances in relation to compensation and resettlement and expect a timely answer;
- Monitoring of all compensation, resettlement and livelihood restoration activities will be regularly carried out and reported on to the IFIs.

## 7 ELIGIBILITY FOR ASSISTANCE AND COMPENSATION

### 7.1 Individual Owners, Users and Legal Entities

Determining eligibility and setting the cut off date is complex in the case of this Project, as there are a number of different types of impacts that require a specific approach. In brief, there are three main ways of determining eligibility to compensation and assistance, as outlined in this RAP:



- Eligibility of persons / entities (e.g. companies) with formal legal rights or rights that are recognisable under national legislation are defined through legal instruments (registration in appropriate registries, results of inheritance procedures, concluded contracts and similar).
- Eligibility of persons with no legal rights or claims to the structures they occupy (users of structures with no legal basis) and persons affected by the relocation of a business, is determined based on their presence in the Project affected area, at the time of the cut off date, which is the date of the census and socio economic survey, in December 2021.
- Eligibility of persons with no legal rights or claims to the land they occupy (informal users of affected land), will be determined based on their presence in the Project affected area, in the future, at the time of site visits carried out by certified appraisers of affected land to carry out inventory of assets and their valuation or at expropriation hearings.

A list of identified affected people/households/entities is provided as Annex 2 to this RAP, which will not be publicly disclosed to preserve the privacy of affected people and entities. Information on whether someone is included in the list can be obtained using the contact details in Section 11 of this RAP.

#### 7.1.1 Persons / Entities with Formal Legal Rights or Rights that are Recognisable

##### ***Owners of privately owned land and assets subject to expropriation***

Persons / entities with formal legal rights are recorded in the Cadastre and this information will be updated in accordance with national legislation when the expropriation process begins. Persons with a claim that is recognised or recognisable under national legislation are invited to provide the necessary documents to the relevant municipal department and information in the Cadastre is appropriately updated. In cases of disputes, affected people can turn to the courts for their resolution, which has to be processed prior to the passing of the expropriation decision. Examples of persons with a claim that is recognised or recognisable under national legislation include heirs of deceased owners and persons who purchased properties with a valid sale purchase contract however did not transfer property rights to their name in the Cadastre.

##### ***Persons occupying apartments owned by SRI with a valid contract***

There are a number of households residing in apartments owned by SRI and some of them have a valid contract while others do not. The eligibility of those occupying the apartments under valid contracts stems from those contracts and this will serve as a basis for determining their entitlements. The entire household (all household members), as recorded by the census, is entitled to resettlement as described in this RAP.

### ***Persons renting privately owned land (for agriculture)***

Any formal users of land and assets (lessees), which includes both persons who have a written rental contract or a verbal contract (agreement with the owner of affected land) are eligible for compensation and/or assistance for their affected assets (crops). The eligibility of those renting land stems from their rental contracts and this will serve as a basis for determining their entitlements.

#### 7.1.2 Informal Users of Structures and Business Owners and Employees

### ***Persons occupying apartments owned by SRI without a valid contract***

The eligibility of those occupying the apartments without valid contracts stems from the fact that they were occupying the Project area (apartments) at the time of the cut off date for eligibility, during December 2021 (the implementation of the census and socio economic survey). The entire household (all household members), as recorded by the census, is entitled to resettlement as described in this RAP.

### ***Owners of operational businesses and their employees***

The socio economic survey recorded two businesses which will have to be physically relocated and they are both formal (legally registered) businesses, operated from structures subject to expropriation (eligibility defined under – owners of privately owned land and assets subject to expropriation). Due to the fact that the owners of the business activity and employees will have specific entitlements provided to them under this RAP, which are not foreseen by national legislation, their eligibility is determined based on the fact that they were operating/working, in the Project affected area at the time of the cut off date for eligibility, during December 2021 (the implementation of the census and socio economic survey).

#### 7.1.3 Informal Users of Land

### ***Persons using land informally for agriculture***

Informal users of affected land will be identified during certified appraisers' field visits (to carry out inventory of land and assets) and/or at expropriation hearings. The date of the field visit will be the cut off date, meaning that any individuals / households that use / occupy Project affected land (without legal rights or claims) after this date will not be entitled to compensation and/or livelihood restoration assistance. Examples of persons with no legal rights or claims include persons who are farming public land or even private land, without the knowledge and/or approval of the owner.

It should be noted that the RAP consultants identified on Google Earth that certain public land (belonging to SRI) is potentially being used, however, attempts of surveyors to identify informal

users of this land, did not yield results. As the survey was carried out during December, it was impossible to verify if the land is still being used or to find people nearby who could be asked about the use of this land. In addition, very often persons engaging in these activities, aware of the fact that they are using land informally and contrary to the law, are not willing to identify themselves for fear of any legal consequences.

The Project will continue to make best efforts to identify any such users of land, to be able to compensate them for their losses or assist them, particularly if they can be categorised as vulnerable.

#### 7.1.4 Vulnerable People / Households

Some individuals or groups are considered more vulnerable than others and, if affected by the Project, will require the implementation of special livelihood restoration and/or assistance measures. Such groups might include:

- persons residing informally in structures affected by the Project, with no other property or place of residence
- informal users of affected land who have no sources of income or assets of their own
- persons who depend on the affected land for incomes/livelihoods and it is the only land they own or use
- elderly single headed households, single parent households, households with multiple members, etc. who have to be physically re-located
- persons who will be affected by physical and/or economic displacement, whose socio economic status is low, for example beneficiaries of social welfare
- illiterate persons who may have difficulties accessing information about the Project and land acquisition or understanding contracts and other important documents, etc.

Vulnerable individuals and households who will be physically displaced have already been identified during the implementation of the census and socio economic survey as described in Section 5.6 of the RAP.

However, as it was not possible to interview all affected owners and users of land, vulnerability will be further explored at expropriation hearings and, in cooperation with SRI, assistance measures will be defined, implemented and recorded.

## 7.2 Municipalities

Affected municipalities, are entitled to compensation for their affected land and assets (municipally owned), as registered in the Cadastre, however only in the event that they acquired the properties through a financial transaction (they bought the property) and have proof to substantiate the claim. At the time of developing the RAP there was no definite information on whether this is the case with the two properties belonging to Čičevac

municipality, so the entitlements of the municipality in either situation, have been presented in the entitlements matrix.

## 8 ENTITLEMENTS OF AFFECTED PEOPLE AND ENTITIES

### 8.1 Entitlements Matrix

*Table 11 Entitlements Matrix*

Type of potential loss / impact	Category of affected person / entity	Entitlements
Permanent loss of privately owned (agricultural, forest, residential, commercial or any other) land	Owner of land	Cash compensation for land at full replacement cost, as determined by the Tax Administration.  Any identified economically unviable – orphan land, will also be acquired, if requested by the owner and determined as unviable, by certified appraisers.
	Formal user of land (renting land)	Provision of information about the acquisition of the land at least six months in advance of the beginning of construction works on the land, to allow the person renting the land to find an alternative option and vacate project affected land.
	Informal user of land	Provision of information about the acquisition of the land at least six months in advance of the beginning of construction works on the land to allow the person using the land informally to find an alternative option and vacate project affected land.
Permanent loss of access to public land for agriculture	Formal user of land (renting land)	Replacement public land of the same size and quality for use or revision of existing contract to reflect the reduced area of land available for use.  Compensation at full replacement cost of any damages or losses suffered by the affected user of land.

Type of potential loss / impact	Category of affected person / entity	Entitlements
	Informal user of land	In case of fulfilment of any of the vulnerability criteria defined by this RAP, assistance to access other land for use, as well as any other needed vulnerability assistance.
Loss of annual crops or plants (including losses stemming from land use restrictions)	Owner of crops (can be the owner of the land or the formal or informal user of the land)	The right to harvest crops. OR Cash compensation for lost annual crops, at full replacement cost, as determined by certified appraisers.
Loss of fruit trees / vines (including losses stemming from land use restrictions)	Owner of fruit trees / vines	Cash compensation for lost perennial yields and timber (if applicable), at full replacement cost <sup>10</sup> , as determined by certified appraisers.
Loss of forest trees (including losses stemming from land use restrictions)	Owner of forest trees	Cash compensation for loss of forest trees, at full replacement cost <sup>11</sup> , as determined by certified appraisers.
Loss of any improvements made to the land (e.g. irrigation system, water well)	Owner of the improvements (can be the owner of the land or the formal or informal user of the land)	Cash compensation for the improvements at full replacement cost, as determined by certified appraisers. AND The right to remove and take away any removable improvements made on the land.
Permanent loss of formal (registered) or informal residential structure or apartment and physical displacement of	Owner of structure / apartment and members of his/her household	Cash compensation for the residential structure / apartment at full replacement cost, determined by certified appraisers. OR Replacement structure / apartment corresponding in size and quality to the lost

<sup>10</sup> Replacement cost will be calculated based on the age and the productivity (yield) of perennial crops/trees/plants and the amount of time (number of years) that would be needed to grow a new crop/tree/plant to the same productivity age, as well as the cost of affected timber, as defined by the Expropriation Law.

<sup>11</sup> Replacement cost will be calculated based on the maturity of the forest trees and the potential use of wood / timber, as defined by the Expropriation Law.

Type of potential loss / impact	Category of affected person / entity	Entitlements
households living in them		<p>living space, registered as ownership in the name of the previous owner, in the Cadastre.</p> <p>AND</p> <p>Moving assistance or allowance.</p>
Permanent loss of residence (house or apartment) owned by SRI (with or without contract) and physical displacement of households living in them	Household members occupying the residence, as registered by the census.	<p>Replacement residence (house or apartment) corresponding in size and quality to the lost living space, with security of tenure (continued rent or use contract).</p> <p>AND</p> <p>Moving assistance or allowance.</p>
Permanent loss of (or access to) formal (registered) or informal non residential structure / premises (shed, garage, business premises, well, etc.)	Owner of the structure / premises	Cash compensation for the affected structure / premises, at full replacement cost, determined by certified appraisers.
	Formal user of the structure / premises (renting the structure)	Provision of information about the acquisition of the structure / premises at least six months in advance of the demolition of the structure, to allow the person / organisation renting the structure / premises to find an alternative option and vacate project affected structure / premises.
The need to permanently relocate an active, registered business	Owner of the active registered (licensed) business	<p>As determined by certified appraisers:</p> <ul style="list-style-type: none"> <li>• The cost of re-establishing activities elsewhere</li> <li>• Lost net income during the transition period, if it is determined that such a loss occurred</li> <li>• The cost of transfer and reinstallation of the plant, machinery or other equipment</li> </ul>
	Employees of the affected business (permanent or temporary, registered and unregistered)	Provision of targeted livelihood restoration assistance and/or employment opportunities, including those provided by the Project.

Type of potential loss / impact	Category of affected person / entity	Entitlements
The obligation to request approval from SRI in the process of obtaining a construction permit for the construction of new structures on privately owned land within the infrastructure zone	Owner of land requesting construction permit	SRI will grant approval in all cases when the safety of the railway and the planned new structure is not jeopardised.  In cases when that is not possible, SRI will cooperate with the owner of the land and suggest changes that need to be made on the planned structure or its location, so that approval may be granted.
Loss of income or livelihood associated with either of the above losses (economic displacement)	All categories of affected persons listed above.	Individually tailored livelihood restoration or improvement assistance (e.g. assistance to access employment on the Project or through the NES, assistance to access other land for use, assistance to access available agricultural programmes, etc.)
Disproportionate / more difficult impact, as a result of vulnerability	Vulnerable individuals/households	Individually tailored assistance (assistance in obtaining needed personal documents, assistance to open a bank account, assistance to access social welfare or health programmes provided in the municipality, etc.)
Permanent loss of municipally owned structures	Municipality Čičevac	Cash compensation for the structures (if the municipality purchased them) at full replacement cost, determined by certified appraisers.  OR Replacement structure for long term use.
Permanent loss of community sports field	Local community	Replacement sports field of the same size and characteristics in a nearby location

In addition to the impacts presented in the matrix, the Project may also cause severance between communities and agricultural land being farmed by community members, both during construction and operation. Although this impact concerns livelihoods, it will be addressed through consultations with local communities, as described in the Project Stakeholder Engagement Plan.

## 9 COMPENSATION AND ASSISTANCE MEASURES

Depending on the type of loss/impact and the category of affected person (owner, formal and informal user), he/she will be entitled to compensation and/or assistance.

The following section provides more details on each type of entitlement.

### 9.1 Cash Compensation for Affected Land and Assets

Appraisal of affected assets will be conducted by certified appraisers and it will be carried out for both formal (registered) and informal assets.

Cash compensation will be provided at full replacement cost, meaning that affected owners of the assets will receive enough compensation to purchase a replacement asset and cover any associated costs or losses.

It should be noted that under national legislation, replacement land and structures can also be provided instead of cash compensation, upon request of the affected owners. However, as the amount of land that is being acquired from any one individual / household is small, and that there is land available for purchase on the market, in the Project area, it is assumed that this option will not be widely requested by affected people. Nevertheless, it is available and can be provided, as required under national legislation and the IFI policies.

#### ***Compensation for land***

Replacement cost of land will be equal to or exceed the market value of land with similar characteristics, in the vicinity of the affected land, plus any transaction costs. The local tax administration office in the municipality will review the most recent and nearest sale purchase agreements concluded and will determine the market price. It should be noted that in recent years, since the introduction of public notaries in Serbia, it has become very difficult, if at all possible, for people to underreport the agreed sale purchase price, which means that the prices reviewed by the tax administration are in fact relevant and realistic. It should also be noted that very often the highest prices per m<sup>2</sup> are used in the calculation, as the authorities recognise that owners of affected assets have certain expectations and the only way to foster a faster process is to offer an appealing compensation rate. The rates enable affected owners to buy replacement land, more of it, and to cover any associated costs. As mentioned earlier in the document, the Law on Linear Infrastructure allows the Tax Administration to align compensation rates with those provided for similar land affected by linear projects in the same municipality and nearby municipalities. At present land is being acquired for the highway project (Moravski Corridor) passing through both affected municipalities and it can be expected that the rates provided for Project affected land will be aligned with these rates.



Separate rates are provided for agricultural and forest land (which is valued as agricultural land, plus the separate compensation of trees) and for construction land. Construction land is more valuable and its cost can sometimes be significantly higher than for agricultural land.

Since this is a linear Project, most of the land plots will need to be acquired only in part. As per national legislation, owners of land have the right to request that the remainder of their land is also acquired, if it is determined that this land will be economically unviable (orphan land) and / or otherwise unusable. Certified appraisers will assess these cases and determine if the remaining part of the plot has to be acquired by SRI too.

A specific impact which could occur during the Project operations phase, stemming from the Railway Law, is the obligation of an owner of land to obtain a permit from SRI for constructing new structure on his/her privately owned land within the 25m infrastructure zone. To obtain a permit, the proposed structure firstly has to be in compliance with the urban plan of the relevant municipality. If that condition is fulfilled, the person intending to construct has to request approval from SRI. In most cases, SRI issues approvals of such requests, however the company does have a right to refuse issuing the permit, if the proposed structure would endanger the operation of the railway or if the structure itself would be endangered by the operation of trains. In any such cases, SRI will seek to find a solution together with the affected person to design or locate the structure in such a way that he/she is able to get the necessary permit.

### ***Compensation for crops, trees, plants***

All owners of affected annual crops will be entitled to harvest them, as well as to collect fruit and cut down trees (in case of orchards and vineyards) before land is used for construction. If this is not possible, all associated losses will be compensated at full replacement cost. Appraisal of crops, plants and trees will take into account various important features, such as their age and productivity, or the resources and amount of time that would be needed to grow a new tree/plant, as defined by the Expropriation Law.

### ***Compensation for structures / apartments***

Replacement cost of formal structures, registered in the Cadastre, will correspond to the market value of structures with similar characteristics, in the affected area, plus any transaction costs. Replacement cost of informal residential and business structures (built without construction permits and not registered in the Cadastre) as well as non residential structures, will be calculated as the cost of rebuilding a structure of similar characteristics in another location, including materials, costs of labour and any transaction costs (i.e. the construction value of structures) and the compensation amount will not be reduced on account of depreciation. The compensation amount will also be sufficient to cover the costs of moving furniture and personal belongings to another location.

These provisions also apply to municipally owned structures, if they have been purchased by the municipality. If not, the municipality will not be compensated, however, SRI will identify a replacement space that will be offered to the municipality for long term use (office space, to replace the structure that will be demolished by the Project).

## 9.2 Replacement Houses and/or Apartments

Household which are currently residing in affected SRI owned houses and apartments will be entitled to replacement apartments. SRI often deals with the need to provide replacement housing for persons who reside in properties belonging to the railway and has the relevant experience to ensure that adequate solutions are identified for everyone. Each affected household will be approached individually to discuss resettlement options, including the location of replacement properties for use, which will likely be in the same municipalities, however they may also be in other parts of Serbia, depending on the household's wishes and availability of housing owned by SRI.

SRI will ensure that the provided housing conditions comply with international standards for adequate housing using the following key criteria: adequacy, accessibility, affordability, habitability, cultural appropriateness, suitability of location, security of tenure and access to essential infrastructure and services.

All households will sign new contracts for the use of the properties, giving them security of tenure and protection from future evictions. All household members recorded by the socio economic survey will be included in these contracts.

## 9.3 Cash Compensation for Affected Businesses

The affected business structures will be compensated as described in Section 9.1 (Compensation for structures). In addition, certified appraisers will assess additional costs associated with moving the business to another location, including the costs of relocating any affected materials, equipment or machinery. Addressing business structures (as well as residential structures) which will need to be expropriated, will be given priority at the beginning of the implementation of the RAP, to allow for enough time to avoid any additional impacts. In this way, in the case of business activities, the owners of businesses will be able to operate normally in existing structures until they are able to secure a new location to which they will resettle their activities and create the conditions for uninterrupted continued operations, in that way reducing the need for any transition period during which lost net income can occur. The time period that is needed for securing a new location and preparing the structure for continued operation will be agreed with each owner individually depending on the type of business activity. If the appraisers determine that an interruption of activities which can lead to lost net income will occur, or if the owner of the business activity subsequently proves that net income losses occurred (based on official financial reports of the businesses), the owners of business activities will be compensated for such losses. The appraiser will also include in the

valuation the costs associated with employee salaries during the transition period (period when the business is not operating), if such a period occurs.

## 9.4 Assistance Measures

SRI will cooperate with the two affected municipalities, to make various existing support programmes available to affected people, depending on how they will be impacted by the Project and their needs. Assistance measures are grouped into three categories, as presented below.

### 9.4.1 Assistance for Physical Resettlement

In the case of privately owned houses and businesses, it is expected that affected people will prefer to resettle independently upon receiving cash compensation for their assets, which will also include the costs of moving (furniture, personal belongings, materials, equipment or machinery). Households will have a period of six months to vacate their homes, unless otherwise agreed with the owners. The period required for businesses to relocate will be determined by certified appraisers and will be included in signed compensation agreements.

Households residing in SRI owned houses and apartments will either be provided with a cash payment to organise the move independently, which will be determined based on the distance to the new residence, or their belongings and furniture will be transported directly by SRI.

### 9.4.2 Livelihood Restoration and Enhancement

Possible livelihood restoration strategies for affected people will be centered around assistance to access available programmes provided through local authorities, either from their own funds or from state funds, in:

- a) Agriculture
- b) New employment or self employment, including training and re-training

State subsidies in agriculture are defined annually through a Government Decree (latest Decree from December 2021, edited in January 2022<sup>12</sup>) and implemented at municipal level. Subsidies are available for the following agricultural activities:

- Plant production (production of crops, vegetables, fruits, including organic production, procurement of inputs such as fertilizer, fuel, insurance, etc.)
- Livestock breeding (breeding calves, lamb, pigs, bee keeping, fish production, organic breeding, insurance, etc.)

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<sup>12</sup> Decree on the Distribution of Subsidies in Agriculture and Rural Development in 2022 (Official Gazette of the RS No. 125/21)

- Equipment and machinery (procurement of tractors, irrigation, greenhouses, all types of equipment, construction of animal shelters, production facilities, market placement, etc.)
- Product processing (fruits and vegetables, oil plants, medicinal, herbal and aromatic plants, bee products, meat, milk, etc.)
- Other subventions (young farmers, municipalities and cities, forestry, hunting, fishing, celebratory events, arable land given for rent, association of farmers / producers, cooperatives, private counselling, etc.)
- Agricultural loans

More subsidies, as well as agricultural grants for entrepreneurs and businesses, are provided through the IPARD programme<sup>13</sup>.

The National Employment Service (NES) (<http://www.nsz.gov.rs>) is an important potential implementing partner, with its branch offices in the affected municipalities. The NES can work with affected people to develop their own individual career/employment plans and provide access to available jobs. NES counsellors are available to guide each registered individual in applying for and keeping a job. The NES also provides advice in establishing a micro/small business and subsidies for self employment, as well as training and re-training opportunities.

Engaged Project contractors will be encouraged to cooperate with the NES in organising local recruitment for any Project related opportunities during the construction phase. In addition, contractors will be required to implement an equal opportunities employment policy, announce vacancies in local communities and employ local workforce wherever possible, if their professional education and work experience meet the requirements of the announced position.

#### 9.4.3 Vulnerability Assistance

As presented in Section 5.6 the seven households residing in SRI owned houses and apartments may be considered more vulnerable than the other affected population. The household members who have no income sources, will be offered livelihood restoration assistance, as described in the previous section and the households will be assisted to physically relocate, with security of tenure. In addition, if needed, they will be assisted to replace their personal documents, with the address of the new registered residence. Two affected single headed households will be provided with any additionally needed assistance, with the involvement of the local Centre for Social Welfare and any other relevant municipality department, to ensure they relocate safely and have access to livelihood restoration or social welfare assistance in the new place of residence.

Using the criteria presented in Section 7.1.4, the participants of expropriation hearings will also determine if a particular affected person and his/her household are in any way vulnerable and

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<sup>13</sup> Instrument for Pre - Accession Assistance in Rural Development (<https://ipard.co.rs>)

will be impacted to a higher degree by land acquisition, and will prepare a plan of action to assist him/her (and members of his/her household, if applicable). Assistance could include any of the livelihood restoration measures already mentioned, but also any assistance to resettle (in case of physical displacement), legal aid, assistance to obtain personal documents, assistance to access social welfare or health services, etc. Any agreed measures will be monitored and reported on by SRI.

If any users of affected land (non owners) are identified as being vulnerable and dependent on the land they are using, SRI will cooperate with the municipalities to identify suitable replacement land that may be provided to such users, to ensure that their livelihoods are restored.

## 10 IMPLEMENTATION OF LAND ACQUISITION AND ORGANISATIONAL ARRANGEMENTS

The development and implementation of this RAP is the responsibility of SRI. The SRI appointed RAP Manager, who is also the SRI Manager for Legal and Corporate Affairs, is managing the development of the document and will continue to manage its implementation. His associates will participate in expropriation hearings and will report back directly to him. With support from received Technical Assistance, SRI will also engage RAP field officers, one in each municipality, whose task will be to act as liaison between SRI and all local stakeholders, including affected people. Field officers will particularly assist with the identification of informal users and vulnerable people, ensure that foreseen resettlement and livelihood restoration assistance is implemented and assist with grievance management at the local level.

As many of the activities within the process of land acquisition are performed by various other institutions and organisations, it will be the RAP Manager's responsibility to ensure they are adequately informed and that they participate in the process as presented in the RAP. The SRI RAP Manager will also have the overall responsibility for monitoring the implementation of the RAP and reporting to the IFIs.

Before the expropriation process begins and hearings are scheduled, the RAP Manager will organise meetings with the property administration, to highlight the relevant requirements from the RAP and agree how they will be implemented. The meeting will also be attended by the RAP Manager's associates who will participate in the expropriation meetings and RAP field officers.

Certified appraisers going to the field to assess land use will pay particular attention to determining who is using the affected land, i.e. is it the owner or someone else (i.e. user) and will record this information. Very often certified appraisers obtain this information from users of nearby land or other people from the local villages. If an informal user is occupying the land, the certified appraiser will make best efforts to obtain contact details of the informal user. The

RAP field officers will regularly coordinate with certified appraisers and will accompany them during site visits to assist with the identification of informal users of affected land.

At the expropriation hearings, the SRI representative, supported by the RAP field officer, will discuss several issues with the registered land owners, as follows:

- Is the affected land being used by someone other than the owner and under what circumstances (with the owner's knowledge or permission or informally) and contact details of the users. The user may also participate in the hearing, if he/she wants to put forward any claim, for example, a claim for compensation of any losses that the user will have stemming from unharvested crops, fruit, or investments made into the land.
- Is anyone's (owner's or user's) livelihood severely affected by the loss of land, for example if the land area that is affected is large enough to create significant losses, if the affected land is the only land that the affected person has or any other circumstances that will lead to severe livelihood losses. Potential solutions for mitigating these losses will also be discussed.
- Is the owner (or non owner user) vulnerable in any way and will the loss of land cause more severe impacts for him/her than non vulnerable people, as well as potential solutions for mitigating these impacts.
- How questions and grievances in relation to the Project can be raised directly with SRI
- Any other issues of significance for ensuring that land acquisition is carried out in accordance with the provisions of this RAP.

Based on the obtained feedback, SRI representatives and RAP field officers will determine cases where livelihoods of affected people are severely impacted by the land acquisition or any vulnerability and potential assistance that may be needed. Following that, the team will define a brief action plan to assist the identified individual / household and will ensure it is implemented. RAP field officers will directly contact service providers who can be involved in assisting affected people in the municipality or elsewhere and will agree actions that need to be undertaken, as well as ensure that all necessary contacts are made between them and the affected people.

RAP field officers will continue to follow up with the affected person and any involved institutions until the actions have been implemented and to determine the outcome, i.e. if the livelihood restoration or other measure has assisted the affected person and how. Information will be included in land acquisition reports.

If a RAP Addendum needs to be prepared for the Project, it will be developed following the principles presented in this RAP. Once the details of additional land acquisition become known, SRI will discuss this with the IFIs and a decision on the scope of the document will be agreed. The RAP Addendum will be disclosed by SRI for comments and consulted on with affected people and other relevant stakeholders. Civil works will not be allowed in the locations covered by the RAP Addendum until all expropriation decisions are legally binding and compensation has been executed. In cases when, at the request of the owner of the affected property, the

setting and execution of compensation has been referred to the court, the construction contractor may begin civil works.

## 11 STAKEHOLDER ENGAGEMENT AND GRIEVANCE MANAGEMENT

### 11.1 Disclosure of the RAP and Consultations

The RAP is available for review on the SRI website (<https://infrazs.rs>) and on the websites of both affected municipalities – Čičevac (<http://cicevac.rs>) and Kruševac (<https://krusevac.ls.gov.rs>). Hard copies are available from the Presidents of Local Communities Stalać, Trubarevo and Đunis.

Comments or questions on the document can be submitted until the second half of November 2022 using the contact details provided in section 11.2 of the RAP.

*This chapter will be updated in the final RAP, with information following one more round of consultations, regarding the draft RAP, planned for September 2022.*

### 11.2 Grievance Management

SRI and the contractors will accept all queries, comments and complaints associated with the Project related land acquisition.

Affected people can submit comments, complaints and/or requests for information in person or via post, telephone or email using the following contact information:

Name: Velibor Samardžić  
Title: RAP Manager  
Company: Public Enterprise Railways Infrastructure  
email: [velibor.samardzic@srbrail.rs](mailto:velibor.samardzic@srbrail.rs)  
Phone number: 066 8777 077  
Address: Nemanjina 6, 11000 Belgrade

Assistance to submit a grievance can be provided by contacting the municipal RAP field officer, whose contact details will be made available to local communities (on information boards) before the start of RAP implementation.

All grievances will be registered in a grievance log (Annex 3). Persons who submitted the grievance will be informed about the receipt and recording of the grievance within 7 days and the grievance will be responded to within 30 days. For complex grievances, more time is sometimes needed, in which case SRI will inform the person that submitted the grievance (within those 30 days) of the expected time frame for the response.

The RAP Manager, assisted by the RAP field officers, is responsible for ensuring that all grievances are collected, recorded and processed. Grievances are processed by an internal committee within SRI and the RAP Manager, with assistance from the RAP field officers, then sends a response to the person who submitted the grievance based on the internal decision, including what actions have been (or will be) undertaken to address the grievance. Depending on the type of grievance and the actions required to address it, the RAP Manager or RAP field officers, depending on the severity of the grievance, may also discuss the grievance with representatives of the relevant municipality and the property administration, or other relevant stakeholders. Dedicated meetings between SRI representatives and persons who submitted the grievance may also be held and may involve representatives of the relevant municipality or other local stakeholders, with the aim of identifying a solution to the grievance, acceptable to all parties.

Grievances in relation to construction activities will be addressed directly by the construction contractor(s) and their management will be monitored by the relevant SRI department. The contact details of persons responsible for grievance management on behalf of the contractor(s) will be distributed to all presidents of local community councils along the Project footprint, to place on community information boards, before any field activities take place in these locations.

At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of the Republic of Serbia.

A few questions received by phone during the RAP development process (and registered in the grievance log) were directed to the RAP Manager and to the RAP consultants, following the community meetings and socio economic survey interviews. The questions asked were as follows: is my house affected (will it be expropriated), what if I lose access to my house when a part of my plot is expropriated, when will expropriation begin, will I have enough time to resettle and one person asked about planned flood protection measures and will the Project help prevent flooding in the area.

## 12 MONITORING, EVALUATION AND REPORTING

SRI will actively monitor the implementation of the RAP until all displacement impacts have been mitigated.

The key activity which will be implemented by the RAP Manager is following progress of land acquisition and ensuring that SRI employees attending expropriation hearings and RAP field officers are recording data which will serve for defining any needed actions to reach the outcomes that are consistent with the principles of this RAP. In general, the data that will be recorded will be in the form of a census registry (Annex 4), which presents all affected land plots and associated information on who owns them, who is using them, what they are being



used for, what other assets are located on them and are affected (e.g. structures), the status of acquisition, the date when compensation was executed, any grievances submitted, any additional assistance provided, identified vulnerability of the owner (or non owner user) and mitigation measures provided to project affected vulnerable persons and /or households.

The RAP Manager, with assistance from the RAP field officers will be in contact with any affected people who require assistance, because of livelihood impacts or vulnerability aspects that must be addressed, as well as with service providers who are providing support to the affected person (local centre for social welfare, NES office, training institution, etc.). The RAP Manager, with assistance from the RAP field officers, will keep a record of all activities using the census registry and will continue to follow up on all implemented actions until displacement impacts have been mitigated.

The key indicators that will be used to assess progress of land acquisition and whether outcomes consistent with the RAP are being achieved are presented in Table 12.

*Table 12 Indicative list of indicators which will be used for monitoring*

<b>Indicator</b>	<b>Source of Information</b>	<b>Frequency of measurement during land acquisition</b>
<b><i>Input indicators</i></b>		
Overall spending on land acquisition, by categories of expenditures	SRI financial records and inputs from local service providers	Monthly
Number of group consultation meetings, results of consultation activities	Meeting minutes Consultation reports	Biannually
Number of individual expropriation hearings	Expropriation decisions	Monthly
Number of affected people/households / businesses, by category (owners or users, formal or informal) and types of impacts (physical displacement, loss of land, loss of business structures, loss of income, loss of non-residential structures)	SRI census registry and grievance management records Appraisal reports	Monthly
Number and type of affected assets (land, residential structures, non residential structures, businesses, land plots with orchards, etc.)	SRI census registry Appraisal reports	Monthly

Indicator	Source of Information	Frequency of measurement during land acquisition
Additionally needed land (beyond land that is being acquired in line with the preliminary design) and how/when it will be acquired	Updated project design and expropriation studies	As relevant
<b>Output indicators</b>		
% of expropriation decisions completed (from the total number of expropriation cases)	SRI census registry	Monthly
% of expropriation decisions processed involving temporary representatives (without the participation of owners)	SRI census registry	Monthly
% of compensation agreements reached	SRI census registry	Monthly
% of compensation payments executed	SRI census registry	Monthly
% of cases in which affected people turned to the court requesting higher compensation	SRI census registry	Monthly
% of cases where affected people requested the acquisition of an additional part of the plot (orphan land)	SRI census registry	Monthly
<b>Outcome indicators</b>		
Number of cases where expropriation and/or displacement was avoided (and description)	Updated project design and expropriation studies	As relevant
Number and type of grievances and how they were/are being addressed (trends)	Grievance management records	Monthly
Number of cases where land was being used by someone other than the owner (formal or informal user) and description of these cases (who are the users, what arrangements were made for use of land, what type of assets belonging to the user were affected, was there a need for compensation and if so, how was it executed, etc.)	Expropriation hearings SRI census registry	Monthly
Number of cases where the acquisition of the land will severely impact livelihoods and description of these cases (how are	Expropriation hearings SRI census registry	Monthly

Indicator	Source of Information	Frequency of measurement during land acquisition
livelihoods impacted, what actions have been undertaken and outcomes)		
Number of cases involving vulnerable people and a description of these cases (type of vulnerability and how it was addressed, outcomes of provided assistance)	Expropriation hearings SRI census registry	Monthly
How did affected people use the compensation?	Surveys with affected people	Biannually
Does compensation represent full replacement cost?	Investigate whether cash compensation was adequate to ensure no reduction of standard of living, loss of income or livelihood	Biannually
Physical displacement – satisfaction with new homes, access to infrastructure and/or services compared to pre project situation, investments into new furniture, etc.	Individual meetings with people/households SRI census registry	Twice in the year following resettlement and after the first year annually until displacement impacts have been mitigated.
<p>Economic displacement – have businesses re-established their activities in new locations; income level compared to pre project situation, number of employees compared to pre-project situation.</p> <p>Have employees continued to work for the same businesses in new locations, have their salaries changed since before displacement and how, etc.</p> <p>Were livelihood restoration measures needed and if so, what kind of measures.</p>	<p>Individual meetings with business owners</p> <p>Individual meetings with affected employees</p>	Twice in the year following relocation of the business and after the first year annually until displacement impacts have been mitigated.

The RAP Manager, with support from the RAP field officers, will maintain a census registry and the grievance log and based on that, using the indicators listed above, will prepare RAP reports,

issued for SRI management on a monthly basis. Information from these reports will be summarised in quarterly reports which will be submitted to EIB and EBRD.

The SRI RAP Manager, his associates in SRI and RAP field officers, will document all meetings and consultations with minutes and photographs and will attach these to the reports. All information on individuals / households, their affected assets and their compensation payments will be kept confidential.

A final RAP Compliance report will be developed and submitted to EIB and EBRD when all land acquisition has been completed and all impacts successfully mitigated.

### 13 RESETTLEMENT BUDGET

The estimated cost of implementing land acquisition as presented in this RAP is 650 million RSD (approx. 5.5 million EUR).

Costs associated with the implementation of this RAP will be borne by SRI from approved budgetary funds, including particularly compensation for all affected land and assets. SRI will request the necessary funds from the Ministry of Finance each year in line with the progress of expropriation. At the time of developing this RAP, the planned dynamic of spending is 50 million RSD in 2022 (already approved as part of the overall SRI budget), followed by 300 million RSD in 2023 and 2024 respectively.

Resettlement, livelihood restoration and/or vulnerability assistance costs may be borne directly by service providers, involved in providing this assistance, from their existing budgets (e.g. Centres for Social Welfare, NES, training institutions).

### 14 RAP IMPLEMENTATION SCHEDULE

The implementation of the RAP is expected to start in November 2022, after it has been reviewed by all parties, presented to affected people and communities during September 2022 and adopted by SRI.

An approximate 12 months is needed to process all of the expropriation activities, until November 2023, while implementation of some of the assistance, i.e. livelihood restoration is expected to continue until the third quarter of 2024.

Table 13 RAP Implementation schedule

Activity	Responsible Party	2022		2023				2024		
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>RAP finalisation and RAP Addendum</b>										
Publishing of the draft RAP on the website and distribution of hard copies	SRI	x								
Public meetings to present the draft RAP to affected people	SRI and RAP consultants	x								
Final RAP approval and adoption	SRI		x							
Meetings with property administrations to present RAP obligations and agree coordination mechanisms	SRI, Property administrations		x							
Updating of the Project design, analyses of additional land acquisition, decision on whether a RAP Addendum is needed in agreement with IFIs	SRI, Contractor, IFIs						x	x		
<b>Pre-construction: main acquisition/expropriation activities in Čičevac and Kruševac</b>										
Identification of owners and users of affected land, organisation of expropriation hearings, identification of cases where livelihoods may be affected or vulnerable individuals/households, processing expropriation and payment of compensation	SRI, Property administrations		x	x	x	x	x			
Development of individual action plans for affected people in need of assistance, agreement on ways to assist them	SRI, Property administrations		x	x	x	x	x			
Implementation of individual action plans (livelihood restoration and vulnerability assistance)	SRI, service providers in Čičevac and Kruševac		x	x	x	x	x	x	x	x
<b>Activities undertaken throughout rap implementation and construction</b>										
Grievance management	SRI, Contractor		x	x	x	x	x	x	x	x
Monitoring and reporting	SRI		x	x	x	x	x	x	x	x

# ANNEXES

## Annex 1 Photos of Affected Structures

Four houses along the street running in parallel with the railway



House and shop (bottom floor)



House (owner of factory)

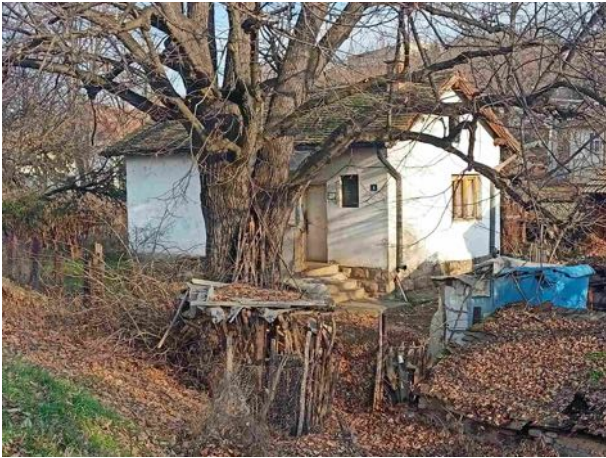




Metal processing factory, outside and inside



Two SRI owned houses





Five SRI owned apartments, within the Stalać Railway Station complex



Two structures owned by the municipality Čičevac



Uninhabited (weekend) houses





Non residential structures





Non residential structure



Uninhabited house



Uninhabited house and attached non-residential structure



Structures in ruins (SRI owned)



Structure in ruins (privately owned)



Community sports field



## Annex 2 List of Registered Owners of Affected Land Plots

**(NOT FOR PUBLIC DISCLOSURE)**

Data is available on request from SRI through the contact details of the RAP Manager provided in Section 11.2.

Annex 3 Grievance Log

No	Date when the grievance was received	Name of person who submitted the grievance	Interest in the Project (resident, landowner, NGO)	Contact details of the person who submitted the grievance	Brief description of the problem / grievance	Company responsible for addressing (SRI / contractor)	Name of person responsible for addressing and contact details	Planned actions to address the grievance	Actions carried out to address the grievance	Results of the actions carried out to address the grievance	Date when the person was informed and how	Notes
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## Annex 4 Census Registry

No. from Exp. Study	No. of basic land plot (Cadastral)	Size of basic land plot (in m2)	Decision on land plot division from the Republic Geodetic Institute	Divided plot number	Type of land use as compensated (construction, agricultural)	Name of the owner(s)	Temporary representative appointed and reason	Contacts of the owner(s)	Is land used by someone other than the owner (user of land)? Name and contact details	Total area to be acquired (in m2)	Structures on land (house, auxiliary, business)	Crops, fruits, vegetables, trees

Submitted expropriation proposal	No. of Immovable Property registry	Request for entry of exp. note in Cadastre	Number of case file	Request for acquisition of orphan land (accepted or not)	Expropriation decision final	Appeal on the exp. decision	Expropriation decision legally binding	Scanned and sent to Development department	Finalised registration in Cadastre	Request to Tax Administration for rates	Submitted compensation offer	Price per m2 in RSD

Total compensation offer in RSD	Agreement on compensation	Court (date / amount)	Sent for payment	Payment made on:	Interest	Request for entry into property	Decision of the Ministry of Finance – entry into property	Grievance submitted (and registered in the grievance log with No. XXX)	Vulnerability (if yes, briefly describe the type of vulnerability)	List all assistance provided (moving allowance, additional compensation and for what, in kind assistance and type of assistance)	Remarks