



LAND ACQUISITION AND RESETTLEMENT ACTION PLAN

WORKS CONTRACT 3A.5

Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow

ODRA - VISTULA FLOOD MANAGEMENT PROJECT



Projekt Ochrony
Przeciwpowodziowej
w Dorzeczu Odry i Wisły



Państwowe
Gospodarstwo Wodne
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LAND ACQUISITION AND RESETTLEMENT ACTION PLAN

FINAL DOCUMENT

ODRA-VISTULA FLOOD MANAGEMENT PROJECT

THE LAND ACQUISITION AND RESETTLEMENT ACTION PLAN IS PREPARED FOR THE WORKS CONTRACT IMPLEMENTED BY THE STATE WATER HOLDING POLISH WATERS REGIONAL WATER MANAGEMENT AUTHORITY IN CRACOW

COMPONENT 3:

FLOOD PROTECTION OF THE UPPER VISTULA

SUBCOMPONENT 3A:

PROTECTION OF UPPER VISTULA TOWNS AND CRACOW

WORKS CONTRACT 3A.5

Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow

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1 Summary

This document presents the Land Acquisition and Resettlement Action Plan (LA&RAP) for Works Contract 3A.5 *Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow* under the *Odra-Vistula Flood Management Project* co-funded by the World Bank (WB), Lease agreement no. 8524 PL, the Council of Europe Development Bank (CEB), Frame Lease Agreement no. LD 1866, the European Union's Cohesion Fund (OPIE 2014-2020), and the State Budget.

For the day of developing this document the application for Investment Project Implementation Permit for flood defenses has been submitted. Areas of properties given in the construction design (maps for designing purposes) remain a basis for identifying the range of properties and permanent restriction in the use and obtaining the right to dispose of property for construction purposes.

The developed motion on the issuance of IPIP decision does neither inform permanent acquisition nor acquisition of land associated with obligatory redevelopment of networks.

The currently planned range of obtaining rights to properties is presented in the table below¹:

	Total number of hectares	Total number of plots	Public plots	%	Private plots	%	Plots with unregulated legal status ²	%
Permanent restriction in the use (PR)	0.1866	3 ³	1	33.3%	1	33.3%	1	33.4%
Disposal rights to properties for construction purposes (PDDG)	1.5181	4	1	25.0%	2	50.0%	1	25.0%
Summary	1.7047	7	2	28.6%	3	42.9%	2	28.5%

The planned investment comprises parts of 7 plots, including:

- 3 plots will be subject to a permanent restriction in use (1 from the resource of the Municipality of Cracow, 1 from the resource of the State Treasury in the perpetual usufruct of the Joint Stock Company and 1 with unregulated legal status - mortgage unit),
- on 4 properties, the Investor will carry out construction works on the basis of the disposal right to property for construction purposes (on 1 owned by the State Treasury, 2 from the State Treasury resource in perpetual usufruct of a joint stock company and 1 with unregulated legal status - mortgage unit).

¹ A summary of properties – permanent restrictions in the use and disposal rights to properties for construction purposes have been determined based upon an application for IPIP. The final scope of properties shall be established in the IPIP decision to be issued.

² Category of properties comprising plots with unsettled legal status – mortgage units in that case (2 plots).

³ Including plots owned by the State Treasury – 1 property in perpetual usufruct by Stock Company.

In the case of properties on which works will be carried out on the basis of the right to dispose of the property for construction purposes, the Investor has voluntary written consents of the owners and perpetual users for their free occupation and execution of planned construction works.

Compensation for permanent restriction in the use of the property will be paid on the terms described in point 8.2.2.

No permanent acquisition or temporary restriction in the use of land due to redevelopment of potential collisions with networks are planned for the investment in question.

In case of Contract 3A.5 there are no physical and economic resettlements. The performance shall not in any way affect the limitation of access for the plot owners to service, cultural and historic objects.

There are developed land properties in the neighborhood of the contract, but implementation of the works contract shall not cause disturbance to daily operations of PAPs within those properties.

Due to implementation of the Contract there are no significant impacts on the PAPs. In the course of the design works, due to the objections raised by PAP, interference with this person's plot was abandoned and ultimately it is not subject to any form of occupation or temporary limitation. It was stated in all cases where PR is introduced that the impacts associated with implementation of the Contract shall be insignificant.

Among the Project Affected Persons entitled to the payment of compensation the following were identified for the day of developing the LA&RAP: owners, perpetual usufructuaries, and holders. During the socio-economic survey done the PAPs did not inform that EU subsidies were granted for the properties, and Family Garden Allotments were also not identified within the contract area. As at the date of the Draft of LA&RAP, no persons included in vulnerable groups were identified

The properties where permanent restriction in the use is planned have not been used for farming, and they do not comprise residential buildings or outbuildings in the part which will be a subject of PR or PDDG.

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

Temporary acquisition of properties done by the Contractor for the purpose of Contract implementation is feasible only based upon a written, voluntary consent of the property owner, and based upon the rules determined in the agreement providing that consent.

Temporary acquisition of properties shall – as a rule – be compensated in cash through payment of amounts corresponding to market prices of lease or tenancy of properties, and the conditions shall be determined under the agreement. An agreement template is provided in Appendix no. 7 to the LA&RAP.

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

The scope of works associated with extension of the flood embankments and with construction of the flood gate technically and functionally linked with them comprises the following:

- Extension of the left embankment at the Vistula River, comprising widening, raising, and extension of the body and of the crest of the existing embankments, and joining them with the designed flood gate;
- Development of a retaining wall made of steel sheets, stabilizing the slope of embankments to be extended on the River Vistula's side, simultaneously performing a function of an anti-seepage shutter;
- Development of a retaining wall made of steel sheets, stabilizing the slope of embankments to be extended on the port basin's side;
- Extension of a descend road from the embankment through raising, widening, and modification of inclination;
- Development of a descend road from the embankment;
- Development of the flood gate – technically and functionally linked with the embankments to be extended – with a steel closure, including facilities necessary for proper operations, and the works shall be done under cover of steel sheet-piling playing the role of an anti-seepage shutter;
- Development of power network supplying power to mechanisms of the flood gate, along with lighting, teletechnical line for monitoring and control, and optic-fiber line for control;
- Development of a service footbridge – playing the role of a service road – supported by the gate directly;
- Development of lead-in-piers made of steel sheets at the entrance to and at the exit from the flood gate, adapted to the bank line of the port channel;
- Slope revetments for the inflow channel and for the discharge channel, and for the adjacent bottom, e.g. made of rip-rap, concrete slabs, and buttress made of steel sheets;
- Development of service roads on the crest of flood embankments to be extended;
- Logging of trees and shrubs in the contract area – limited to the necessary minimum;
- Development of paved service yards on both banks of the flood gate, with lighting;
- Development of protective barriers and fencing;
- Grading of the embanked area / the area beyond the embankment in a reach along the flood embankments to be extended, and within the flood gate.

2 Summary of abbreviations applied in this paper

AP	Affected Population
World Bank	International Bank for Reconstruction and Development (IBRD)
PCU	Project Coordination Unit (acting within the structure of the State Water Management Authority of the State Water Holding Polish Waters)
CEB	Council of Europe Development Bank
WB	See: <i>World Bank</i>
ED	Decision on environmental conditions
EGiB	Register of Land and Buildings – a register containing data forming e.g. a basis for economic planning, spatial planning, taxes and fees, marking of properties in mortgage registers, register of farms
GDOŚ	General Directorate for Environmental Protection
GIS	Geographic Information System – a terrain information system consisting of a terrain database concerning a given area as well as procedures and techniques of systematic collection, updating and providing access to data.
CSO	Central Statistical Office of Poland
PIO	Project Implementation Office formed within the PIU, a separate organizational unit responsible for implementation of the Contract / Works Contract
PIU/Employer/Investor	State Water Holding Polish Waters – Regional Water Management Authority in Cracow
Engineer	See: <i>Consultant</i>
Consultant	A company or a legal persons providing services for the Investor Technical Assistance Consultant for the OVFM Project – AECOM Polska Sp. z o.o.
CC	The Law of April 23, 1964 – Civil Code (consolidated text: Journal of Laws of 2020, item 1740, as amended)
CAP	The Law of June 14, 1960 – Code of Administrative Procedure (consolidated text: Journal of Laws of 2020, item 256, as amended)
L&MR	Land and Mortgage Register
LARPF / RPF	Land Acquisition and Resettlement Policy Framework

MaxPP	Maximum Damming Level
LSDP	Local Spatial Development Plan
NBP	National Bank of Poland
NGO	Nongovernmental Organization
SAC	Supreme Administrative Court
OVFM	Odra-Vistula Flood Management
EIA	Environmental Impact Assessment
OP 4.12	The symbol of a document containing the principles of conducting involuntary resettlement required for Contract co-financing with a World Bank loan: Operational Policy 4.12 – Involuntary Resettlement
PAP	Project Affected Person(s)
PGW WP RZGW in Cracow	State Water Holding Polish Waters – Regional Water Management Authority in Cracow
IPIP	Investment Project Implementation Permit for flood defenses
OVFMP	<i>Odra-Vistula Flood Management Project</i>
LA&RAP	Land Acquisition & Resettlement Action Plan
Water Law	Act of July 20, 2017 – Water Law (consolidated text: OJ 2020, item 310, as amended)
Project	See: <i>OVFMP</i>
EMP	Environmental Management Plan
Valuer / expert	A natural person possessing state professional qualifications in the scope of real property valuation
RDOŚ	Regional Director for Environment Protection
Regulation on land registers	Announcement of the Minister of Investment and Development of January 3, 2019 on enactment of consolidated text of the Regulation of the Minister of Regional Development and Civil Engineering on the register of land and buildings (OJ of 2019, item 393, as amended)
Regulation on the evaluation	Regulation of the Council of Ministers of September 21, 2004 on the evaluation of properties and development of estimated (OJ of 2004 no. 207, item 2109, as amended) and Regulation of the Council of Ministers of July 14, 2011 modifying the regulation on evaluation of properties and

	development of estimated (consolidated text: OJ of 2011 no. 165, item 985)
Special Flood Act	The Law of July 8, 2010 on specific terms of preparing for implementation of projects in the scope of flood protection facilities (consolidated text: Journal of Laws of 2019, item 933 as amended)
PR	Permanent restriction of the manner of using a real property
EU	European Union
PMA	The Law of August 21, 1997 on the properties management (consolidated text: Journal of Laws of 2020, item 65, as amended)
RAC	Regional Administrative Court
Contractor	An entrepreneur or a joint venture of entrepreneurs implementing the Works Contract 3A.5 <i>Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow</i>
Task / Contract / Works Contract / Investment / Assignment	<i>Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow</i>

3 Key definitions

This document uses the following key definitions:

Real property price – an amount negotiated with the property owner to its benefit for a respective property or any part thereof, based on the value of the said property estimated by an authorised property valuer. The compensation amount for the property shall not be lower than the replacement cost for lost component of assets without depreciation of assets resulting from the age, condition, or other features associated with the assets.

Mortgage unit – a property/register plot comprising few or several ground plots belonging to various owners. Due to the lack of attributing particular parts of properties (plots) to a particular owner we deal with an unsettled legal status.

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

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

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

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

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

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

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

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

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

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

OP 4.12 Involuntary Resettlement —an operational policy containing the main principles and procedures which constitute the basis for the IBRD approach to involuntary resettlement related to investment projects.

Project Affected Person (PAP) – every person who, as a result of Project implementation, loses the right of ownership or other benefits related to the owned inhabited (residential, agricultural or breeding) infrastructure; annual or perennial yield and produce or other related or movable assets – in whole or in part, permanently or temporarily. Members of a local society or other persons affected by investment actions may be deemed as the PAPs.

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

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

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

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

Joint Stock Company – a capital company, activities of which are regulated in the code of commercial companies. It has a legal personality and share capital formed by shares of shareholders, which is determined in the statute and split into shares with equal nominal value. It may be formed by one person or more, but it cannot be formed by a single-person limited liability company only. It is a form of business applied for medium and large enterprises. The company gains the legal personality at entering it to the commercial register. As a legal person it is responsible for its liabilities with its entire assets.

Land Acquisition and Resettlement Policy Framework (LARPF) –a document approved by the World Bank, on the basis of which this Land Acquisition and Resettlement Action Plan is being developed. Based on the LARPF, a formal Project framework for land acquisition was defined.

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

<https://odrapcu.pl/en/project-ovfmp/documents/>

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

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

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

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

4 Introduction

4.1 DESCRIPTION OF THE PROJECT

The most urgent flood protection tasks within selected areas of the Odra and Vistula River Basins were expected for implementation under the *Odra-Vistula Flood Management Project*.

5 Components were considered under the Project, and they cover actions associated with improvement of flood protection.

Component 1 covers various actions implemented within an extensive section of Odra over a total length of about 440 km (so-called free-flow Odra).

All of the necessary works have been divided within that area into three Subcomponents:

- **1A – Flood protection of areas in Zachodniopomorskie Province,**
- **1B – Protection of the Middle and Lower Odra,**
- **1C – Flood Protection of Stubice City.**

Component 2 of the Project shall be implemented within the Kotlina Kłodzka, which covers mountainous and highland sections of the Nysa Kłodzka River Basin. 2 Subcomponents are implemented under Component 2, i.e.:

- **2A – Active Protection (includes construction of four dry flood storage reservoirs),**
- **2B – Passive Protection (includes flood protection for the areas located along four main rivers of Kotlina Kłodzka).**

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

Component 3 is divided into the following Subcomponents:

- **Subcomponent 3A – Protection of Upper Vistula Towns and Cracow,**
- **Subcomponent 3B – Protection of Sandomierz and Tarnobrzeg,**
- **Subcomponent 3C – Passive and Active Protection in Raba Sub-basin,**
- **Subcomponent 3D – Passive and Active Protection in San Basin.**

Component 4 Institutional Strengthening and Enhanced Forecasting,
Component 5 Project Management and Studies.

The Land Acquisition and Resettlement Action Plan (LA&RAP) is presented in this paper for Works Contract titled: 3A.5 *Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimir Steel Mill in Cracow* implemented under Component 3 – *Flood Protection of the Upper Vistula*, Subcomponent 3A – *Protection of Upper Vistula Towns and Cracow*, as one of the investment elements under the *Odra-Vistula Flood Management Project (OVFMP)*.

The OVFMP Project is implemented using financial resources provided by international financing institutions, including the International Bank for Reconstruction and Development (World Bank) (Loan Agreement no. 8524 PL dated September 10, 2015), Council of Europe Development Bank (CEB)

(Framework Loan Agreement No. LD 1866 dated May 24, 2016), European Union Cohesion Fund (IEOP 2014 – 2020), and the State Budget.

The objective of the OVFM Project is to protect people living within selected areas of the Odra River Basin and of the Upper Vistula River Basin against floods and to improve institutional ability of public administration to be more efficient in limiting effects of floods. Flood management infrastructure shall be developed as a result of Project implementation, along with related technical measures within three separate areas of Poland: (i) Middle and Lower Odra River Basin; (ii) Kotlina Kłodzka (Nysa Kłodzka River Basin); and (iii) Upper Vistula River Basin.

In case of acquiring the properties the formal framework for the Project is determined by the Resettlement Policy Framework available at:

<https://odrapcu.pl/en/project-ovfmp/documents/>

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

- Local PIO office at: PGW WP RZGW in Cracow, 22. Marsz. Józefa Piłsudskiego Str., 31-109 Cracow;
- Office of OVFM PCU at: 8. Karkonoska Ave., 53-015 Wrocław, and 5. Morawskiego Str., 30-102 Cracow;
- directly in the main Project Office, which would remain a consultation point: AECOM Polska Sp. z o.o., *Odra-Vistula Flood Management* Project Office, 1. Pokoju Al., Building K1 – 4th floor, Cracow 31-548.

Additionally, due to co-funding of the OVFM by the World Bank, it is necessary to develop a Land Acquisition and Resettlement Action Plan for that Contract, and to obtain “No Objection” of the World Bank for that document, in accordance with operational policy OP 4.12.

A reason of this LA&RAP is to document that the process of properties acquisition for the purpose of Contract implementation would proceed in accordance with requirements determined under OP 4.12.

4.2 DESCRIPTION OF THE CONTRACT

The planned Contract titled: *3A.5 Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow* remains a supplementation for a gap in the flood protection system for the Vistula Valley in Cracow, while complementing the assignment titled “Contract 3A.1 *Modernization of Vistula embankments in Cracow: Works Contract 3A.1/1 – Modernization of Vistula embankments in Cracow Section 1, Section 2, Works Contract 3A.1/2 – Modernization of Vistula embankments in Cracow Section 3*”, included in the Flood Risk Management Plan for the Vistula river basin 2016, the List of strategic technical investments planned to be executed in 2016 – 2021 for the Vistula river basin, included in the MasterPlan - Appendix no. 2. List no. 1: Investments which do not adversely affect the achievement of the good water status or do not deteriorate the water status.

The subject of the task is extension of the left embankment at the Vistula River, including development of technically and functionally associated flood gate, with facilities necessary for proper functioning.

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

The planned undertaking includes the following activities carried out within the framework of extension of the flood embankments and construction of the flood gate technically and functionally linked with them:

- Extension of the left embankment at the Vistula River, comprising widening, raising, and extension of the body and of the crest of the existing embankments, and joining them with the designed flood gate;
- Development of a retaining wall made of steel sheets, stabilizing the slope of embankments to be extended on the River Vistula's side, simultaneously performing a function of an anti-seepage shutter;
- Development of a retaining wall made of steel sheets, stabilizing the slope of embankments to be extended on the port basin's side;
- Extension of a descend road from the embankment through raising, widening, and modification of inclination;
- Development of a descend road from the embankment;
- Development of the flood gate – technically and functionally linked with the embankments to be extended – with a steel closure, including facilities necessary for proper operations, and the works shall be done under cover of steel sheet-piling playing the role of an anti-seepage shutter;
- Development of power network supplying power to mechanisms of the flood gate, along with lighting, teletechnical line for monitoring and control, and optic-fiber line for control;
- Development of a service footbridge – playing the role of a service road – supported by the gate directly;
- Development of lead-in-piers made of steel sheets at the entrance to and at the exit from the flood gate, adapted to the bank line of the port channel;
- Slope revetments for the inflow channel and for the discharge channel, and for the adjacent bottom, e.g. made of rip-rap, concrete slabs, and buttress made of steel sheets;
- Development of service roads on the crest of flood embankments to be extended;
- Logging of trees and shrubs in the contract area – limited to the necessary minimum;
- Development of paved service yards on both banks of the flood gate, with lighting;
- Development of protective barriers and fencing;
- Grading of the embanked area / the area beyond the embankment in a reach along the flood embankments to be extended, and within the flood gate.

The main purpose of the flood embankments to be extended – along with development of a technically and functionally linked flood gate – together with the necessary infrastructure for proper operations, is to provide flood protection for the city of Cracow, while allowing to use the port by floating vessels. Such a flood protection solution eliminates the need to modernize and expand the existing flood embankments around the entire port area, focusing on engineering works for facilities. These activities include, inter alia, the reinforced concrete structures of the gate facility and the steel structures of driven closures, power supply and equipping with remote and local control systems.

The works will be carried out in stages. The first stage includes the construction of sheet piling walls for the foundation of the flood gate. At this stage, a flood gate will be constructed and commissioned and it shall be joined with the flood embankment on the right-hand side of the channel (from the Przewóz Barrage), through its extension. The flood gate shall join the flood embankment to be extended on the other side of the flood gate (from the side of the Dłubnia river's estuary), on the following stage. On that stage, it is also planned to construct a service footbridge with accompanying infrastructure. It will be possible to ensure water exchange between the Vistula River and the Kujawy port basin if the investment is implemented in stages. During construction it may also be necessary to acquire temporarily the land for example an operating backyard – the Contractor shall, if necessary, obtain the land for temporary acquisition on its own effort and at your own expense in the range wider than the one given under the IPIP (detailed description presented in Chapter 5 of this LA&RAP). The operating backyard will be removed following the investment completion, and the land occupied by the backyard will be reclaimed to the original condition of use. The planned facilities will be linked directly or indirectly to public roads by building service roads.

In reference to the modernization of flood embankments the planned scope of the Task is as follows:

1. The height of the extended flood embankments

The height of the existing flood embankments from the side of the Dłubnia river's estuary is approx. 3m on the embanked area's side and the area beyond the embankment side. The height of the existing flood embankments from the side of the Przewóz barrage is approx. 0.4 - 0.6 m in the area beyond the embankment and about 1.4 – 3.2 m on the embanked area's side.

After the extension the flood embankment height, on the side of the estuary of Dłubnia, will be approx. 3.0-3.7m from the embanked area's side and approx. 3.0-3.5m from the side of the area beyond the embankment. The embankment height from the side of the Przewóz barrage will be approx. 0.2-1.0m from the side of the area beyond the embankment and about 1.6 - 3.7m from the embanked area's side.

2. The length of the extended flood embankments:

The length of the embankments subject to extension shall amount to:

- About 58m in section W1 (on the side of the estuary of Dłubnia);
- About 64m in section W2 (on the side of the Przewóz Barrage);
- About 59m in section W3 (except for the flood gate).

3. The chainage of the extended and redeveloped flood embankments

- In section W1, at working chainage of the embankment W1 from km 0+000 (register chainage of the embankment km 90+525) to working chainage of the embankment W1 km 0+058.
- In section W2, at working chainage of the embankment W2 from km 0+000 to working chainage of the embankment W2 km 0+064 (register chainage of the embankment km 90+674).

- In section W3, at working chainage of the embankment W3 from km 0+000 (end of the register chainage of the embankment km 90+560; working chainage of the embankment W1 km 0+035) to working chainage of the embankment W3 km 0+083 (working chainage of the embankment W2 km 0+022), including development of the flood gate technically and functionally linked with them at working chainage of the embankment W3 km 0+043 (km 90+575 of the River Vistula).



Figure 1. Site map with division into working sections W1, W2, W3.

The planned Task will be carried out with the use of general construction technologies based primarily on earthworks, concrete works, reinforced concrete works, pile-driver works and installation works. Machines such as excavators, loaders, trucks, cranes, rollers, concrete mixers, concrete pumps, vibrators and pile drivers will be used during the works.

The scope of works and technologies for individual structures is listed below. The values given are estimates and may be subject to change.

- a) development of flood embankments
 - topsoil removal and benching of the embankment slopes,
 - raising, widening, and extension of the embankment crest,
 - stabilization of slopes for embankments to be extended using retaining walls made of steel sheet piles, some walls shall remain – in conjunction with the cofferdam – an anti-seepage element,

- construction of paved yards and service roads on the embankment crest,
 - extension of the existing and construction of a new hardened embankment descent road,
 - construction of a hardened service yard with a storage site for maintenance gates, in the area beyond the embankment, on the side of the Przewóz Barrage,
 - top-soiling and sowing with a mixture of grasses.
- b) construction of a flood gate with facilities necessary for proper functioning:
- execution of building excavation protected with steel sheet pile walls acting as an anti-seepage shutter, with a length of about 82m in the plan, in order to build a reinforced concrete structure of the flood gate together with stage I – about 4200 m³,
 - soil exchange for the foundation of about 2000 m³, micro-piling to strengthen the subsoil for the foundation of the flood gate structure in accordance with the results obtained from geological surveys,
 - execution of the reinforced concrete structure of the flood gate, about 5500 m³,
 - founding and installing a steel closure of the flood gate,
 - construction of MV and LV lines supplying power to the flood gate’s equipment, with lighting,
 - construction of teletechnical and optic-fiber network together with control and measurement equipment and remote data transmission,
 - construction of a monitoring system with the use of CCTV system,
 - construction of a technological footbridge with lighting,
 - development of a control room on a reinforced-concrete body of the gate, including equipment necessary for proper functioning,
 - execution of protection of the bottom and of slopes at the port channel upstream and downstream of the designed flood gate, using full and hollow-core reinforced-concrete slabs, buttress with rip-rap, and bottom profiling.

The concrete mix will be delivered to the place of building in from the nearest concrete plant certified to perform hydrotechnical concretes. The other building materials and technological equipment of the flood gate will be delivered to the planned building-in site via existing public roads.

Due to implementation of the Task, actions requiring obtainment of properties for the purpose of permanent acquisition shall not be done.

4.2.1 Measures requiring permanent restrictions

The scope of works related to the construction of the flood gate in the Kujawy port encompasses:

MEASURES REQUIRING PERMANENT RESTRICTIONS	# private plots	# private plots
Execution of a power connection in the form of a buried cable, to be connected to the existing power network, in a place indicated by the operator of that network	39/1, 69	351/8

4.2.2 Measures not requiring acquisition of properties and permanent restrictions including activities carried out on the basis of the disposal right to use property for construction purposes

- Extension of the left embankment at the Vistula River, comprising widening, raising, and extension of the body and of the crest of the existing embankments, and joining them with the designed flood gate;
- Development of a retaining wall made of steel sheets, stabilizing the slope of embankments to be extended on the River Vistula's side, simultaneously performing a function of an anti-seepage shutter;
- Development of a retaining wall made of steel sheets, stabilizing the slope of embankments to be extended on the port basin's side;
- Extension of a descend road from the embankment through raising, widening, and modification of inclination;
- Development of a descend road from the embankment;
- Development of the flood gate – technically and functionally linked with the embankments to be extended – with a steel closure, including facilities necessary for proper operations, and the works shall be done under cover of steel sheet-piling playing the role of an anti-seepage shutter;
- Development of a service footbridge – playing the role of a service road – supported by the gate directly;
- Development of lead-in-piers made of steel sheets at the entrance to and at the exit from the flood gate, adapted to the bank line of the port channel;
- Development of teletechnical network (optic-fiber waveguide) from the flood gate to the control room at the Przewóz Barrage;
- Slope revetments for the inflow channel and for the discharge channel, and for the adjacent bottom, e.g. made of rip-rap, concrete slabs, and buttress made of steel sheets;
- Development of service roads on the crest of flood embankments to be extended;
- Logging of trees and shrubs in the contract area – limited to the necessary minimum;
- Development of paved service yards on both banks of the flood gate, with lighting;
- Development of protective barriers and fencing;
- Grading of the embanked area / the area beyond the embankment in a reach along the flood embankments to be extended, and within the flood gate.

4.3. CONTRACT IMPLEMENTATION AREA

4.3.1 Planned Contract Implementation Area

According to the register of the PGW WP Regional Water Management Authority in Cracow the Kujawy Port is located on the left bank of Vistula, in a distance of 1200 m downstream of the estuary of Dłubnia and 1200 m upstream of the Przewóz Barrage. The area, where the Contract shall be implemented, is approx. 1.7047 ha.

The Kujawy Port is a river port, created by damming the river by the Przewóz Water Barrage. The Kujawy Port is a basin type port with a vertical quay. The port has not been endowed with road and rail infrastructure enabling the reloading of goods. Two operating process water pumping stations for the ArcelorMittal Steel Mill are located on both opposite sides of the port basin. The port basin is located in an area limited by the following streets: Jeżynowa Street and Dymarek Street, in the Cracow district of Nowa Huta.

The investment site is currently exposed to the risk of flooding with one-thousand-year and one-hundred-year floods.

As regards the patterns of use of the plots located in the area of the planned investment, the types of land use and land classes of the indicated areas are listed in the table; the information has been obtained from the extracts from the register of land and buildings (EGiB) for the real estates in question.

Table 1: Land use

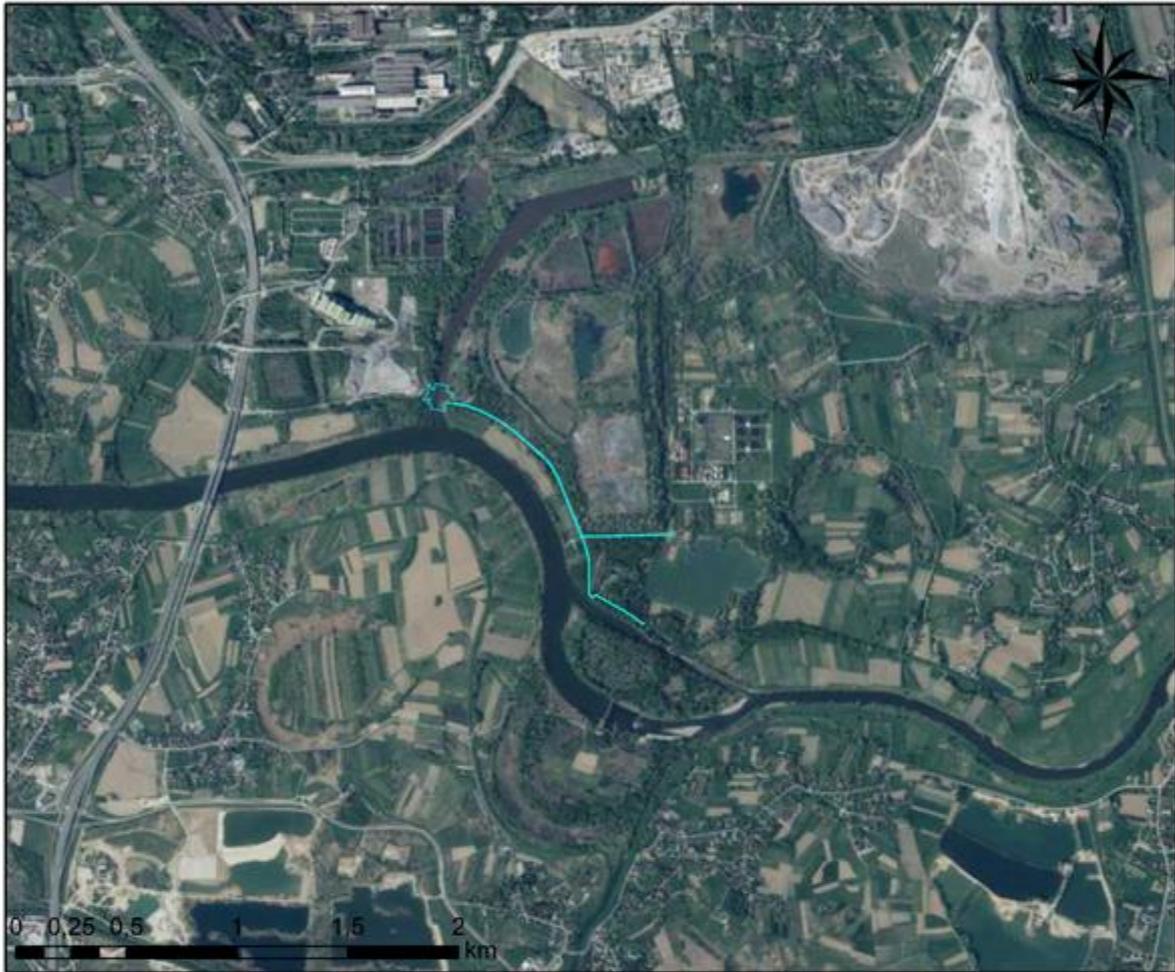
Land classes	Area [%]
Ba - Industrial areas	30,39%
dr - Roads	0,15%
Tr – Various areas	68,31%
Others (Ł, R, W)	1,15%
Total	100,00%

During implementation of the contract only permanent restrictions in the use of properties shall occur, and the IPIP does not provide permanent acquisition and temporary acquisition of the properties.

There are numerous industrial and service buildings in the immediate vicinity of the investment apart from its implementation area, e.g. Ecological waste incineration plant Ekospalarnia Kraków and Wastewater treatment plant Kujawy. The investment shall not affect the neighboring development.

Inventory-taking in field has shown a large number of technical facilities and installations within the existing embankments that need to be transferred or removed in the area of the planned works. There are multiple installations, probably being the property of the ArcelorMittal Steelworks, in the Kujawy port quay area, and both pumping stations. A header for delivery of wastewater to the Kujawy wastewater treatment plant runs parallel to the port quay.

The analysis of the Municipal Spatial Information System data and EGiB showed that the area where the port basin is located, together with the right and left port embankment, is the State Treasury's property. As the entity managing the land has not been indicated, the entity responsible for the property is the Prefect, and in the case of the City of Cracow, i.e. the city with district rights, the Mayor of the City.



Location - Contract 3A.5 Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow

Legend

Investment boundary



Figure 2 Location of the Investment on orthophoto map

Source: own materials



Boundaries of the properties - Contract 3A.5 Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow

Legend

 Investment boundary



Figure 3. Boundaries of the properties covered by Contract 3A.5

Source: own materials

4.4. ISSUED ADMINISTRATIVE DECISIONS

- Decision of the Regional Director for Environmental Protection in Cracow of March 24, 2020 on the environmental conditions for the contract titled "Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow", ref. no.: OO.420.4.2.2019.BM.

- Decision of the Minister of Maritime Economy and In-Land Navigation of September 23, 2020 on the water permit, ref. no.: DOK.DOK3.9700.30.2020.MM.

4.5. UNITS RESPONSIBLE FOR IMPLEMENTATION OF THE PROJECT

From January 1, 2018 the main unit responsible for the state water management is the State Water Holding Polish Waters, also known as the Polish Waters, with its office in Warsaw. PGW WP has been assigned based upon the rules of the Act of July 20, 2017 – Water Law, and a statute enacted with the Regulation of the Minister of Environment of December 28, 2017 (OJ of 2017, item 2506). In accordance with Article 239 (1) of the WLA, the Polish Waters remain a state legal person, as understood by Article 9 (14) of the Act of August 27, 2009 on the public finances (OJ of 2019, item 869, as amended). The task of the PGW WP is complex management over widely understood water management in Poland, including investments. That unit also represents the State Treasury and executes ownership rights of the State Treasury in reference to waters remaining properties of the State Treasury, and to water facilities and remaining assets associated with water management. A detailed catalogue of obligations and rights, including a breakdown of competences between particular internal units and separated bodies, has been determined in Article 240 of the WLA. The following organizational units are comprised by the Polish Waters: State Water Management Authority in Warsaw, regional water management authorities, catchment boards, and water supervision inspectorates. The legislator has regulated in Article 536 of the WLA issues related to continuation of investments commenced before enacting the Act through transferring rights and liabilities from agreements and decisions, referring to investment projects at public waters owned by the State Treasury and at basic amelioration facilities, to the Polish Waters, including agreements financed or co-funded by international sources, which have previously been implemented by regional water management authorities, provinces, province marshals, or relevant provincial organizational units. Article 526 of the WLA determined that on the day the Act enters into force, the Polish Waters also execute tasks of the previous President of the State Water Management Authority, previous directors of regional water management authorities, and province marshals, associated with maintenance of waters and remaining assets of the State Treasury related to water management, as well as water management investments. It shall be emphasized that all of the dues, liabilities, rights, and obligations of the previous State Water Management Authority and of regional water management authorities became dues, liabilities, rights, and obligations of the Polish Waters. Therefore there was a general legal succession from previous regional authorities to the Polish Waters. A direct reason for reforming the water management was an obligation to implement regulations under Directive 2000/60/EC of the European Parliament and the Council of October 23, 2000 – so-called Water Framework Directive, which provides frames for the community's actions in reference to the water policy. Implementation of the reform was a condition Poland needed to meet to apply resources under operational programs of the European Union for the years 2014-2020. The Project Implementation Unit (PIU) for this task is the State Water Holding Polish Waters, which has a legal personality and executes ownership rights in the name and on behalf of the State Treasury. Notwithstanding the above, the Regional Water Management Authority in Cracow is an

internal organizational unit of the Polish Waters. Thus, the status of Investor for the task shall be applicable to the State Water Holding Polish Waters.

The legal changes described above do not affect existing provisions concerning the acquisition of properties, determining the form and amount of compensation and the payment of compensation.

The acquisition of properties is based on the provisions of the Special Flood Act and the Act on Property Management.

Instruments correcting inconsistencies between OP4.12 and Polish law are described in detail in Chapter 8.3 Adopted mechanisms for acquiring rights to properties.

5 Primary Principles Adopted in the LA&RAP

This LA&RAP is to document the process of acquiring the properties and to assess whether it meets the requirements under OP 4.12 or are there any gaps that need to be filled in.

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

1. Permanent real property acquisition shall be minimized or avoided where possible. In the case of this Works Contract, this principle has been fully implemented, permanent acquisition have been avoided, the works will be carried out by imposing a permanent restriction on the use of part of the real estate. Where PR will be performed, the procedures and requirements outlined in this LA&RAP will apply.
2. The procedures associated with payment of compensation for PR shall improve the people's living conditions, and shall at least restore them to the level present prior to implementation of the Project.
3. All Project Affected Persons shall participate in social consultations on equal terms and the needs of particularly vulnerable groups shall be taken into account. They shall also be offered a possibility of participation in the Project development process and access to grievance redress mechanisms. Public consultations shall include the needs of particularly vulnerable groups, as well as those resulting from sexual identity of participants.
4. Project Affected Persons have access to honest, fair and inexpensive proceedings of their appeal to an independent authority or court without intentional delay if enforced.
5. All cases of real property acquisition (here: PR) shall undergo procedures based on Polish law and OP 4.12. LA&RAP is in compliance with LARPF (see: http://odrapcu.pl/doc/OVFMP/Resettlement_Policy_Framework.pdf).
6. This LA&RAP is related to permanent restriction in the use of real properties, which shall be subject to proper financial compensation, and due to the absence of permanent acquisition effects resulting in the loss (temporary or full) of income sources or in deterioration of life standards are not anticipated.
7. The implementation of the LA&RAP shall be monitored and reported and, after its completion, evaluated by the World Bank.
8. The process of social participation as well as protective and mitigating measures shall be carried out in accordance with the necessity of fair treatment regardless of age, ethnic origins, sex or disability of Project Affected Persons. Particular attention shall be paid to the households with members/member belonging to particularly vulnerable groups.
9. The LA&RAP and property acquisition are planned and implemented as an integral part of the Works Contract. All costs connected with the necessity of planning and implementing the compensation measures shall be included in the budget as well as the benefits of the Project.
10. The Contractor shall, if necessary, obtain the land for temporary acquisition on its own and at its own cost, in a range wider than given in the IPIP, and – while negotiating the

temporary acquisition conditions for the properties – it shall observe the rules determined under this LA&RAP (the process will be monitored by the PIO and by the Consultant and shall be performed on a voluntary basis and in accordance with rules specified in the agreement concluded between the property owner and the Contractor for works). Template of an agreement is given in Appendix no. 7.

11. The Contractor shall agree and provide the Investor with information related to all agreements concluded for temporary acquisition. Temporary acquisition of properties for implementation of the Contract is possible only with voluntary consent of the property owner. Prior to the temporary acquisition of the property, the Contractor shall perform a detailed inventory and shall develop photo documentation for the aforementioned property, and after its completion it shall restore the properties to their original state or to the one established under the agreement, and it shall return them in a good condition so as to enable the owners or users to use them in the same manner as before Contract implementation.
12. Permanent restrictions in the use of the properties, as indicated in the IPIP decision, will, as a rule, be compensated in cash. The amount of compensation will take into account the loss of market value of the property. At the request of PAPs, the property on which a permanent restriction in use will be imposed will be purchased, and PAPs will receive compensation on the terms specified in Chapter 8.2.4.
13. In case of permanent restrictions in the use of properties, the owner or the perpetual usufructuary, who would deem that the properties are not suitable for use, may request for their purchase in a civil proceeding through provision of an application within 90 days from the day of notifying about the commencement of proceeding on the issuance of IPIP, according to Article 22 (2) of the Special Flood Act (the purchase cannot be requested by an owner of property, where public roads are located, i.e. local authorities or the State Treasury). The price shall form a proper value of the property with a similar potential and purpose.
14. All PAP, without regard to the legal title to the real property, shall receive support of various types, as per the principles set out in the Matrix of Compensation Measures included in this LA&RAP. Lack of a legal title to the real property should not be a bar to receiving compensation and/or a different type of support. Detailed principles of real property acquisition, social participation and mitigating, protective, preventive and compensation measures shall be established in this LA&RAP.

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

The ex-post evaluation will be conducted six months after the LA&RAP is fully implemented and its objectives will be assessed and it shall provide documented evidence that directly impacted PAPs have successfully established a standard of living equal to, or better than, pre-contract levels.

6 Impact Mitigation

6.1 SOCIAL IMPACT

Under OP 4.12, social impact related to expropriation includes all direct economic and social losses stemming from real property expropriation as well as from permanent restriction of the former manner of use or of the access to the real property. In this case, these will only be impacts related to a permanent restriction in the use of the property. Thus, the primary criterion of assessing the significance of social impact shall be the percentage ratio of the entire property and part of it which will be subject to restriction of use, and the assessment will also include the manner in which the use of the property will result in the future after the works are completed. One shall also take into account the data obtained during a socio-economic survey.

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

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

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

6.1.1 Occurrence of significant impact

Due to small areas of plots to be restricted permanently (in comparison to the entire area of the properties, only 0.13% of the total area of plots shall be subject to permanent restriction in the use), and due to the manner of use for the acquired plots, it shall be stated that as a consequence of implementing the Contract there shall be no significant impact on the PAPs.

6.2 MITIGATION MEASURES

1. The design works are carried out in such a way as to minimize the number of plots necessary for implementation of the Task.
2. The amount of compensation for permanent restrictions will be determined by agreement, based on estimates prepared by independent property valuers or by decision of the Governor of the Malopolska Region – also based upon estimated. The valuation constituting the basis for determining the amount of compensation will be reliable, objective and independent, so that the owner receives a price for the restriction in use of the property corresponding to the actual loss, and thus minimizes the negative impact of the permanent restriction on their

financial situation. The amount of compensation will be determined according to the definition of the property price.

3. Any cost associated with implementation of measures mitigating and compensation adverse impacts shall be included within the OVFM Project costs as eligible expenditures.
4. For the duration of the works, investment supervision will be provided in consultation with the owners of the infrastructure network. The owners of these networks will be notified in advance by the Contractor of the date of commencement of the works.
5. Due to implementation of the Task it may be necessary for the Contractor to temporarily acquire properties for the purpose of its implementation in the scope wider than the one given under the IPIP (on its own and at its own cost). The scope and target locations of temporary acquisition shall be determined after selection of the Contractor. The Contractor – while negotiating the conditions for temporary acquisition of properties – shall observe the rules determined under this LA&RAP (the process shall be voluntary). Negotiations and agreements between the Contractor and the property owner on temporary acquisition shall be monitored by the PIO and by the Consultant in order to assure fairness of the agreement and favorable nature for the landowner. A template agreement forms appendix to this LA&RAP – Appendix no. 7.

Prior to temporary acquisition of the property the Contractor shall make a detailed inventory and shall develop photo documentation for the aforementioned property.

6. Properties subject to temporary acquisition shall be restored after completion of the works to the original condition or to the one agreed in the agreement, and returned in a good condition, so the owners or perpetual usufructuaries would be able to use those properties the same way they did prior to implementation of the Project or in accordance with the consent-providing agreement. The PIO and the Consultant shall monitor reinstatement of the site to good condition in order to secure fulfilment of that obligation by the Contractor.
7. The construction facilities will be located in a way that will have the least possible impact on the quality of life of the residents, if possible within the splitting lines of the Contract area. Additional areas considered as working areas which are located outside the construction site will require agreement with the Investor.
8. Prior to the commencement of works, the Investor will conduct an information campaign about the planned execution of the Contract and launching an information point for persons affected by the Contract impact, where PAPs will be able to submit their applications and comments to the performed construction works and planned acquisition. An information brochure will be prepared and sent to all persons covered by the impact of the contract, including information on the possibility of lodging complaints (in accordance with the provisions of LA&RAP) and providing the contact details.
9. PAPs will be notified about the physical commencement of works by the Investor in advance, which will allow the completion of properties' management, but not less than 30 days. The Investor may agree to extend the deadline if the change does not collide with the Works implementation schedule.

10. In the case of parts of plots on which agricultural activity is carried out, the plots will be released after the harvesting period of the current crops in the given growing year for the given crop. If the crops are not harvested, the cash equivalent will be paid.
11. For the duration of the works, investment supervision will be provided in consultation with the owners of the infrastructure network. The owners of these networks will be notified in advance by the Contractor of the date of commencement of the works.
12. On leaving the construction site, stands for washing of car wheels and wheels of machines leaving the construction site will be provided. The works Contractor is obliged to remove periodically the pollutants produced on roads as a result of the traffic of vehicles and machines connected with the planned construction. This will reduce the impact on road infrastructure.
13. In the case of permanent restrictions in the use of properties, the owner of the holder of perpetual usufruct rights, who would deem that a property is useless, may demand its purchase in a civil-law procedure through provision of a motion within 90 days from the day of notifying about commencing a proceeding on the issuance of IPIP, in conformity with Article 22 (2) of the Special Flood Act (the purchase cannot be claimed by the owner of property, where public roads are located, i.e. local authorities or the State Treasury). The purchase price shall remain a proper value of the property with similar potential and purpose.
14. Within the framework of the informational campaign the PAPs have been informed about the possibility of applying for purchase of properties subject to PR.
15. Assistance for the PAPs in splitting of mortgage units. Advising in the scope of: (I) choosing the best procedure for particular legal situation of the PAP after an initial examination of the legal status of mortgage unit, (II) support in actions associated with: commencement of proceedings for establishment of boundaries or for splitting the properties, especially in the range of requirements for contents of motions; establishing parties of the proceeding; selection of a certified surveyor; advising on contents of splitting documentation developed by the certified surveyor, including examination of bases for establishing the boundaries, as required by provisions of the PGIK, (III) eventual assistance at submission of a motion to institute legal proceedings.
16. A wider description of measures mitigating and minimizing adverse impact, including ones referring to valuable environmental resources, is given in the document titled: Environmental Management Plan for part of Contract 3A.5 – *Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow.*

7 Socio-economic Survey

7.1. SOURCES AND METHODOLOGY

The socio-economic survey was conducted in February 2020 by the legal, properties and procurement team located in the structure of the Consultant responsible for developing this LA&RAP.

The basic source of information on the development and use of the real properties to be acquired is the analysis of GIS data, information taken from Geoportal, as well as verification on the Contract implementation site. Legal titles or claims to the properties was identified based upon data of land and mortgage registers, mortgage registers, other documents available during development of the LA&RAP. The presence of the infrastructure was established on the basis of GIS data and design documentations (including maps for designing purposes). In case of social impact the basis data source were data obtained based upon available registers (e.g. business register, National Court Register), as well as data collected during visits at the Contract implementation site.

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

As a result of an initial analysis of collected data and of a scope of the Contract, it was stated necessary to perform site surveys among owners of land covered with permanent restrictions. The survey was done in February 2020 using standardized questionnaires.

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

7.2.2 Issues

Categories of issues, which effected in disability to collect complex data from representatives of households affected by the Works Contract, were identified during the site survey. All of them were discussed below.

No possibility to reach the respondent. Issue identified during the survey was the lack of possibility to reach the owner. A reason was outdated or incorrect address data given in EGiB or permanent absence of the respondent at the given address.

Refusal to participate in the survey. Although the respondent was reached during the socio-economic survey, there was no consent to fill in the questionnaire.

Attempts have been made to conduct interviews with private owners (2 co-owners for plot 69 and perpetual user - Joint Stock Company (for plots 39/1, 39/2 and 346/2). The basic problem revealed in the period devoted to the implementation of the survey was the lack of possibility of contact with PAPs within the time allowed for the task. Two meetings were held with one of the private owners about the planned investment, however, the survey of the socio-economic study was not completed.

7.1.2 Summary of and conclusions on the socio-economic study

During the socio-economic survey done it was clarified that due to permanent restrictions in the use of properties every owner or holder of perpetual usufruct rights, who would deem that a property is useless, may request for its purchase in a civil law procedure through submission of a motion within an appropriate deadline. The purchase price shall correspond with a proper value of property having a similar potential and purpose, i.e. replacement value (the purchase cannot be requested by an owner of property, where public roads are located, i.e. by units of local authorities or by the State Treasury).

The PAPs have also been informed about the right to compensation for temporary restriction in the use of properties, and about the method of establishing the compensation, which would be done based upon an evaluation developed by an independent valuer.

7.2 SOCIAL AND ECONOMIC DATA

7.2.1 Demographic and economic specificity

Basic data on population

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

According to data provided by the CSO in the end of 2019, the City of Cracow is inhabited by 779 115 people, population density is 2 383 persons/km². 53% of citizens are women, and 47% – men; the working age ratio for the population is 62.0%. The birth rate for the City of Cracow is 2.0 per 1 000 citizens (1.6 per 1 000 for Małopolskie Province), whereas the migration ratio is around 6.1 per 1 000 citizens (1.4 per 1 000 for Małopolskie Province).

Citizens of Cracow are about 2% of population in Poland and almost 23% of population in Małopolskie Province. Mean population density for Cracow was 2 331 persons per 1 km². It may be compared to the mean population density for the province in the same time, which was 221 persons per 1 km².

Employment and income

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

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

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

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

The most of the households of Cracow are households with the main maintenance source provided by labour (regardless of the employment specificity). The most of them – 52.9% of households – refers to labour in a private sector. A smaller group of households is related to labour in a public sector – 31.7%. The most of citizens of Cracow assess their material situation as average, and every fourth household deems that it is rather good or very good, and less than every fifth – as rather bad or bad. It shall simultaneously be underlined that in case of cities with over 500 K of inhabitants, i.e. also in Cracow, the average monthly income per person was 52.6% higher than the average for the country, and it was 1.5 percentage point less than a year before. However, the expenses were 49.7% higher than the national average rate, and it was 0.7 percentage point less than a year before (source: Social Issues Solving Strategy for Cracow in the years 2015-2020).

7.2.2 Gender Equality

Discrimination is legally banned in Poland, and it is determined in the Constitution of 1997. Article 32 states that no one shall be discriminated against in political, social or economic life for any reason whatsoever. Discrimination against women shall mean any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing or nullifying the recognition, enjoyment or exercise by women, irrespective of their marital status, on a basis of equality of men and women, of human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field (Article 1 of the Convention on the Elimination of All Forms of Discrimination against Women of 1979).

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

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

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

the purpose of promoting women and increasing their representation in decision-making and managing groups in business, numerous civil actions, declarations of political parties, and popularization of other countries' examples are implemented, and the European Commission undertakes its own initiatives ex officio, etc., which should result in the enhancement of equality of women and men in participation in the labour market or in decision-making groups. The analysis of survey results for last 10 years proves the progress in that field.

7.2.3 Land use

In the range of use structure for plots located within the planned investment a summary of use types and use classes was tabulated for land affected by implementation of the contract – permanent restriction in use; data was taken from EGİB and from Land and Mortgage Register for the properties in question.

Table 2: Use structure for plots to be subject of permanent restriction

Register plot number	Description of use	Use class symbol	Use area [ha]	Plot area [ha]	Area of permanent restriction [ha]
39/1	Industrial areas	Ba	111.5908	111.5908	0.1802
69	Roads	dr	5.1134	5.1134	0.0035
351/8	Industrial areas	Ba	30.5182	30.5182	0.0038

The planned investment covers parts of 3 plots with an area of permanent restriction of 0.1866 ha. All plots, to which this analysis refers to, are located within Małopolskie Province, in the district of the City of Cracow (city having district rights).



Figure 4. View of the orthophoto map for the planned contract

The Kujawy Port is located on the left bank of Vistula, in a distance of 1.2 km downstream of the estuary of Dłubnia, and 1.2 km upstream of the Przewóz Barrage. The mouth of the Kujawy Port is located at chainage km 90+600 of the Vistula River. It is a river port developed for the purpose of providing services to the Steel Mill of ArcelorMittal Poland Branch in Cracow (former Lenin Metallurgic Combine, T. Sendzimira Steel Mill), within the reach of backwater of the Przewóz Water Barrage.

In addition, there is the Ecological waste incineration plant Ekospalarnia Kraków, company storage sites and a wastewater treatment plant in the vicinity of the Kujawy Port. The areas surrounding the port basin are predominantly classified as green areas.

From the western and eastern side of the port, the use of the land is defined as "Ba" i.e. Industrial areas, while from the northern and southern side it is surrounded by meadows "Ł" and agricultural land "R".

Photo documentation presenting the described area of Contract 3A.5 is given below.



Photo 1 – Contract area 3A.5 – view from the west



Photo 2 – View to the mouth of the port channel to the River Vistula



Photo 3 - Position-finding view at location of the gate

7.2.4 Access and Communication

Access to the Kujawy port is possible directly from Igołomska Street through Dymarek Street, successively through Jezynowa Street. Then, access is possible with the embankment crest to the direct location of the investment. It is a road allowing access from the east side of the channel. Access is possible from the same road from the west through the ArcelorMittal Steel Mill site via the port embankment crest within the operating pumping station.

Access to the investment from the western side is possible from Igołomska Street, successively through Dymarek Street and via the crest of the existing flood embankment, planned for modernization as part of a separate study. Access also exists from the same side via a private road belonging to the ArcelorMittal Steel Mill and, similarly, via the crest of the existing embankment.

7.2.5 Public Infrastructure

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

7.2.6 Cultural and historic objects

There are no objects referred to as cultural heritage and archaeological sites within the Contract implementation area, as well as within the Contract impact areas.

7.2.7 Technical Infrastructure and Structures Located within the Properties

The Kujawy Port basin is a river port, created by damming the river by the Przewóz Water Barrage. The Kujawy Port is a basin type port with a vertical quay. The port has not been endowed with road and rail infrastructure enabling the reloading of goods. Two operating process water pumping stations for the ArcelorMittal Steelworks are located on both opposite sides of the port basin.

Inventory-taking in field has shown a large number of technical facilities and installations within the existing embankments that need to be transferred or removed in the area of the planned works. There are multiple installations, probably being the property of the ArcelorMittal Steel Mill, in the Kujawy port quay area, and both pumping stations. A header for delivery of wastewater to the Kujawy wastewater treatment plant runs parallel to the port quay.

The Kujawy Port area is furnished with technical infrastructure related to a metallurgical plant. Inventory-taking conducted in field of the Kujawy Port has shown a large number of technical facilities and installations within the existing embankments that need to be transferred or removed in the area of the planned works. Two operating process water pumping stations for the ArcelorMittal Steel Mill are located on both opposite sides of the port basin.

7.2.8 Natural Resources

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

7.3 SPECIFICITY OF THE PAP

Among the households no such were identified requiring physical or economic resettlement in connection with the implemented Contract and which would be significantly affected by the Works Contract.

Detailed PAP characterization is included in the Socio-economic Study constituting Appendix No. 4 to this LA&RAP. Due to the requirements concerning personal data protection, the Study shall not be revealed to the public.

PAP no. 3 - private owner. Permanent restriction with the area of 0.0083 ha was planned for the plot no. 175 (0.2041 ha).

No questionnaire interview was obtained during the survey. The consultant held two meetings with the owner of the above-mentioned property - on 02/20/2020 and 03/04/2020.

During the meetings, the property owner confirmed to have received an information letter about the planned socio-economic study for Contract 3A.5. The Consultant explained in detail the intention to conduct surveys in order to prepare the LA&RAP document and to identify the status of the households

affected by the Project implementation. The Consultant informed about the scope and type of the planned structures, as well as about the scope of works and route of the power cable. The works were then discussed thoroughly for connecting the power cable supplying the flood gate structure to the buried MV line running through the property no. 175, precinct No. 40 Nowa Huta, belonging to the interested owner. The owner was informed that the project is in the incipient phase of design and before discipline agreements with the owner of the network belonging to Tauron Polska Energia. The owner was also informed that the Consultant has the conditions, issued by the above-mentioned company, for connecting the said MV network, but the connection agreement between Tauron Polska Energia and the investor, the State Water Holding Polish Waters, has not yet been signed. The property owner expressed their concerns about the connection on their land - including concerns about the health and privacy. The owner did not agree to the execution of infrastructure protruding above the ground level, e.g. a manhole, etc.

NOTE: due to the objections raised by PAP No. 3, the interference on plot No. 175 was finally abandoned - it is not subject to any form of occupation or temporary restriction.

PAP No. 2 - unregulated legal status - co-ownership of 2 private owners and the State Treasury. Permanent restriction with the area of 0.0026 ha is planned for the plot no. 69 (5.1134 ha).

During the Consultant's actions connected with sending letters notifying about the survey, one of the letters addressed to one of the two indicated private owners was returned with a note that the building was demolished at the indicated address (then the correctness of information was verified in the field). No other address of the owner is known.

In the case of the second co-owner who is a natural person in EGIB, there is no information about her address of residence - this person has not been found.

No questionnaire interview was obtained during the survey

PAP no. 1 - perpetual usufruct on the plots owned by the State Treasury. Permanent restriction with the area of 0.1802 ha is planned for the plot no. 39/1 (111.5908 ha).

It is a Joint Stock Company, which is the largest steel manufacturer in Poland with about 70% of the domestic production capacity and the largest coke manufacturer in Europe. The company was established on May 6, 2002 as a concern of Polish steel mills with the headquarters in Dąbrowa Górnicza. It subsequently became part of the Luxembourg-based group as a result of the sale and merger. The company manufactures long products such as section rails, bulkheads or mining supports. It also produces flat products widely used in the automotive industry, construction sector and for household appliances production.

No questionnaire interview was obtained during the survey.

As stated above, the survey was not done with most of the PAPs. Out of 3 surveys completed only one answer was obtained. As a consequence, socio-economic data was collected using other sources (analysis of data given in publicly available registers, including the National Court Register; analysis of information published by the PAPs in the Internet). In case of the PAPs being entrepreneurs it shall be stated that implementation of the contract shall not affect their functioning and income. It is likely that the PAPs are not interested in filling the surveys in due to not using the area for industrial purposes,

no significant meaning of the planned permanent restrictions for functioning of the PAPs, and due to the fact that the expected compensation amount would not be economically significant for the PAPs because of the small size of permanent restriction.

7.4 THE NEED TO UPDATE THE SOCIO-ECONOMIC SURVEY

Due to a minor impact of the planned Contract on the PAP, small population – specified by low dynamics of changes – covered by the survey, it is not necessary to update the socio-economic study. The planned acquisition shall not be permanent – those shall only be permanent restrictions – and it has a minor impact on the previous method of use for the property.

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

8 The Binding Provisions of Law and Valuation Methodologies

This LA&RAP for the Task 3A.5 *Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow* is based on the provisions of Polish law, as well as, due to funding from the resources of the World Bank, on the World Bank's Operational Policy 4.12 – Involuntary Resettlement.

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

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

8.1 OBLIGATIONS ARISING FROM OP 4.12⁴

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

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

The following obligations stem from OP 4.12:

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

³ Chapter according with LARFP

- Monitoring of resettlement shall be performed as well as its evaluation;
- As regards rural or farming lands, even when it is possible to apply cash compensation, “land-for-land” compensation is particularly recommended, if economically feasible. Farms that lost their fixed assets entirely and became entirely unprofitable should receive compensation in the amount equal to the value of the entire farm;
- For losses valuation or cash compensation of which is complicated, for example, access to public services, access to customers or suppliers, fishing areas, access to pasture and forest areas, efforts should be made to establish access to equivalent and culturally appropriate resources and income opportunities.

8.2 POLISH LEGAL REQUIREMENTS

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

- Constitution of the Republic of Poland of April 2, 1997 (Journal of Laws no. 78 item 483 as amended),
- The Law of April 23, 1964 – Civil Code (consolidated text: Journal of Laws of 2020, item 1740 as amended), hereinafter referred to as the CC,
- The Law of July 8, 2010 on specific terms of preparing for implementation of projects in the scope of flood protection facilities (consolidated text: Journal of Laws of 2019, item 933 as amended), hereinafter referred to as the Special Flood Act,
- The Law of August 21, 1997 on the properties management act (consolidated text: Journal of Laws of 2020, item 1990, as amended),
- Act of July 20, 2017 – Water Law (OJ of z 2020, item 310, as amended),
- Regulation of the Council of Ministers of September 21, 2004 on the evaluation of properties and on the development of estimate studies (OJ no. 207, item 2109, as amended).

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

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

8.2.1 Real property acquisition under the Special Flood Act

For the purpose of implementing the Task it is not expected to take over the properties on behalf of the State Treasury or to bereave a holder of perpetual usufruct rights of perpetual usufruct title. It is therefore not necessary to describe procedures associated with that approach.

8.2.2 Establishing permanent restriction in managing real properties

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

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

Those restrictions and the inconveniences related to them as well as restrictions of the economic and market potential of the real property (e.g. a construction ban, a ban on planting trees, a ban on running the agricultural activity) negatively affect the real property market value and have to be made up for by a due compensation. In an extreme case of the property loss of usefulness for the owner (holder of perpetual leasehold rights) they can demand its redemption on civil law making the request to the investor in this regard in accordance with Article 22 (2) of the Special Flood Act through provision of a motion within 90 days from receiving a notification on the commencement of proceeding on the issuance of IPIP. In the case of non-use of this procedure, an administrative course remains establishing appropriate compensation.

The Special Flood Act does not define PR or indicate the administrative authority competent in the subject matter of determining such compensation in administrative proceedings. Such condition, i.e. the lack of an explicit provision of law indicating the subject matter (competence) of an authority, is caused by an obvious legal loophole and authorizes one to apply *analogii iuris* in the administrative proceedings in reference to the Act of April 10, 2003 on the special rules for preparation and implementation of public roads investments (consolidated text: OJ of 2015, item 2031, as amended) relating to the issuance of CIRD and defined in the Judgement of the Supreme Administrative Court in Warsaw of November 9, 2012 (ref. no.: I OW 142/12). While indicating the Governor as a competent unit, the Court states unambiguously that *"the competent authority to determine the compensation is the authority that issued the decision on consent for implementation of a road development (...) because the legislator cannot separate the competence to determine the compensation for the results of the same decision depending on the subject of that compensation"*.

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

Therefore, compensations for PR shall be governed by procedures and valuation principles described in this LA&RAP which concern determination and payment of compensations for expropriation of real properties or their parts (described in Chapter 8.2.4).

8.2.3 Special Procedures

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

Submission of a court deposit has the same effect as the fulfilment of performance and obliges the creditor to redeem the cost of submission to the debtor. The cost of transferring the amount to the deposit account shall be borne by the Investor.

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

8.2.4 Purchase of properties subject to PR

The owner or the perpetual usufructuary of properties subject to PR (permanent restriction) may request for purchase of the property by the State Treasury through provision of an application within 90 days from the day of receiving notification about the commencement of proceeding on the issuance of IPIP, according to Article 22 (2) of the Special Flood Act⁵ (the purchase cannot be requested by an owner of property, where public roads are located, i.e. local authorities or the State Treasury). The price shall form a proper value of the property with a similar potential and purpose.

8.2.5 EU subsidies

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

8.2.6 Properties resources according to the PMA

The PMA Act regulates aspects referring to the properties management, and especially the rules for:

- Managing the properties owned by the State Treasury and by the local authorities;
- Types of the properties;
- Merging and splitting of the properties;
- Pre-empting the properties;

⁵ Article 22 (2): *The owner or holder of perpetual usufruct rights, as discussed under Article 9 (5) letter b), may request for purchase of the property by the State Treasury, unit of local authorities, or Institute of Meteorology and Water Management – State Research Institute, through submission of an application within 90 days from receiving the notification discussed under Article 7 (1).*

- Expropriating the properties and returning the expropriated properties;
- Participating in costs of developing the technical facilities;
- Evaluating the properties;
- Professional activities related to the properties management.

The Act defines in Chapter 2 the public properties resources, which were broken down by the legislator according to the ownership status (according to Article 20 of the PMA). The following were distinguished:

1. State Treasury's properties resources;
2. Communal properties resources;
3. District properties resources;
4. Provincial properties resources.

The State Treasury's properties resources include those properties, which are owned by the State Treasury and have not been transferred for perpetual usufruct, and those properties, which are subject to perpetual usufruct by the State Treasury (according to Article 21 of the PMA). Those resources are administered by Prefects.

The communal properties resources include those properties, which are owned by communes and have not been transferred for perpetual usufruct, and those properties, which are subject to perpetual usufruct by communes (according to Article 24 of the PMA). The communal properties resources are administered by village mayors, town clerks, and mayors.

The district properties resources include those properties, which are owned by districts and have not been transferred for perpetual usufruct, and those properties, which are subject to perpetual usufruct by districts (according to Article 25a of the PMA). The district properties resources are administered by district boards.

The provincial properties resources include those properties, which are owned by provinces and have not been transferred for perpetual usufruct, and those properties, which are subject to perpetual usufruct by provinces (according to Article 25c of the PMA). The provincial properties resources are administered by provincial boards.

Provisions under the PMA do not refer to the properties resources of other owners than the ones listed above.

Public assets remain a special type of assets included within the boundaries of the Republic of Poland, and due to their specificity – assets used for implementation of tasks by the: State Treasury, communes, districts, and provincial authorities – they are subject to particular legal restrictions determined under the PMA and many other legal acts⁶.

⁶ Excerpt - reference: Resources of public properties - p. I, Marian Wolanin, Nieruchomości 9/2000 (<https://czasopisma.beck.pl/nieruchomosci/arttykul/zasoby-nieruchomosci-publicznych-cz-i/>)

8.3 ADOPTED MECHANISMS OF ACQUISITION OF RIGHTS TO REAL PROPERTIES⁷

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

⁷ The table given in this chapter is compliant with the LARPF.

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

Due to formal and legal conditions of the Task, the mechanisms of properties acquisition will be applied as resulting from the special flood act, as well as the civil code (in relation to the properties under application on the purchase basing upon Article 22 (2) of the Special Flood Act).

Owners of power lines, gas piping, and telecommunication lines to be demolished shall receive compensation in a form of a new transmitting device (transmission network) developed among others within other properties or the same property, in the same or in a different location. Restriction in use the properties or utility easement for the transmitting entrepreneur – who owns the demolished and redeveloped network – shall be implemented within the properties where new or rebuilt transmitting devices shall be developed. According to Article 305¹ of the CC, the sense of utility easement is encumbering the property with the use right to that property within the boundaries determined by the purpose of transmitting devices. Such an encumbrance comprises the: access, use through ongoing exploitation, inspections, controls, maintenance, modernization, overhauls, removal of failures, replacement of devices placed on a particular property in a scope necessary to ensure proper and undisturbed operation of a transmission network of the enterprise (see: resolution of the SC of April 18, 2012, ref. no.: V CSK 190/2011, LexisNexis no. 3971510).

The property owner will receive appropriate compensation in return for restricting the use of the property by the operator of the network. This compensation will be determined by an independent property appraiser in the appraisal report. The appraisal report will be the basis for arrangements between the Investor and the property owner. If the parties fail to reach an agreement on the amount of compensation, the case will be referred to the Governor, who, after conducting administrative proceedings, will issue a decision on the amount of compensation due. The owner will have the right to appeal against this decision in accordance with the mechanism set out in section 12.2 below.

8.4 VALUATION PRINCIPLES⁸

Note: In terms of information on permanent acquisition, this chapter does not apply to the Works Contract 3A.5 - the provisions are provided for information purposes.

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

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

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

⁸ Contents of the chapter compliant with the LARPF.

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

At determining the replacement value, depreciation of assets and value of remaining materials, as well as value of benefits coming from the Contract and deducted from evaluation of Contract affected assets are not taken into account. Where provisions of the Polish Law do not include necessary compensation corresponding with the replacement value, the compensation implemented in accordance with provisions of the Polish Law shall be supported with such additional measures assuring implementation of compensation as assistance in the interim period after expropriation providing reasonable time necessary for reinstatement of the quality of life (including maintenance sources), etc. Such a proceeding assured provision of compensation in conformity with the compensation standard according to replacement value

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

NOTE:

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

8.4.1 Real property valuation⁹

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

8.4.2 Evaluation of objects not permanently connected to the property

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

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

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

8.4.3 Valuation of plantings and crops¹⁰

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

Valuation of fields of perennial plants involves the estimation of the costs of establishing the field and its maintenance until the first yield as well as lost profit in the period from the date of expropriation until the completion of the full yield. The aggregate of costs and the value of lost profits are reduced by the sum of the yearly depreciation charge resulting from the period of using the field from the first year of yield until the date of expropriation. In determining the value of sowings, crops and other

⁹ Contents of the chapter compliant with the LARPF.

¹⁰ Contents of the chapter compliant with the LARPF.

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

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

8.4.4 Evaluation of the remaining elements of assets

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

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

9 Eligibility Criteria and Catalogue of Beneficiaries

9.1 ELIGIBILITY CRITERIA¹¹

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

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

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

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

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

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

9.2 CATALOGUE OF BENEFICIARIES¹²

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

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

¹¹ Contents of the chapter compliant with the LARPF.

¹² Chapter compliant with the LARPF.

- PAP who lose their revenue, salaries or ability to run business activity in relation to Project implementation,
- PAP being illegal possessors of real property in the Project area who have no legal title and no expectancy right to obtain a legal title.

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

- PAP owning the properties or with perpetual usufruct title to the properties within the Project area (in reference to permanent acquisition and to permanent restrictions).

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

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

- PAP being lessees, tenants, life estate holders and other dependent possessors of real property in the Project area,
- PAP being possessors of limited property rights in real property,
- owners of cultivations, plants, structures and other constructions related to the land, who are not owners or perpetual usufructuaries of land;
- residents of houses and flats, who would need to be resettled,
- PAP who lose their revenue, salaries or ability to run business activity in relation to Project implementation,
- PAP being illegal possessors of real property in the Project area who have no legal title and no expectancy right to obtain a legal title.

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

- **Permanent restriction in the current use of the property** (3 properties, including 1 property with unregulated legal status with co-owners, who are natural persons, 1 property from the State Treasury resource in perpetual usufruct of the Joint Stock Company and 1 property from the resources of the Municipality of Krakow), as a rule, shall be compensated in cash, taking into account the loss of market value of the property. Depending on the case, specially selected protective measures shall also be proposed. At the request of PAPs, the property on which a permanent restriction in existing use will be imposed may be expropriated, and PAPs will receive compensation on the terms specified in Chapter 8.2.4.
- **Non-residential buildings and structures (garages, technical infrastructure, etc.)** – as a rule, owners and users of these buildings and structures are compensated for the loss of the real property (described in Chapter 8.2.4). Within the framework of protective measures, the Investor shall propose reconstruction of infrastructure networks and, where appropriate, of structures and buildings at the Investor's expense. Additionally, in case of the local authorities, which have developed or are developing the affected objects or structures using European Union's resources or other foreign sources, the cash compensation shall be increased by an amount to be redeemed from resources coming from funding, including due interest;

- **Loss of plantings** shall be compensated to legal owners of the properties in cash, taking into account the costs of planting and caring for the plantings and the value of the lost benefits between the expropriation date and the end of the complete harvest.
- **Loss of tree stands** shall be compensated as in case of the loss of plantings. Depending on the compensation type, it may also be done according to the value estimation for wood, which may be obtained;
- **Temporary real property acquisition** shall be compensated in cash through the payment of monthly amounts corresponding to market prices of tenancy or lease of the real property. Moreover, if the PAP incur a loss due to the temporary real property acquisition, the loss shall be compensated separately according to the abovementioned principles. After the completion of construction activities, all real properties shall be restored to their original state.
- **Damage to houses, buildings and structures due to construction works (e.g. vibration, accidents, etc.)** shall be compensated according to their nature in order to make the restoration of the full substance of the affected object or the purchase of a new one possible. Depending on the situation, appropriate rules of compensation payment for the above impacts shall be applied.

A detailed catalogue of people entitled to compensation is included in Appendix no. 2 to this LA&RAP. Due to the protection of personal data, this Appendix will be made public after the data has been anonymised.

9.3 ELIGIBILITY MATRIX¹³

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

¹³ Chapter compliant with the LARPF.

Impact / damages	Determination of PAP	Compensation
	Users	<ul style="list-style-type: none"> • cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets) • transfer or reconstruction of lost assets.
	Illegal possessors of buildings and structures	<ul style="list-style-type: none"> • cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets), • transfer or reconstruction of lost assets.
	Lessees, tenants of buildings and structures	<ul style="list-style-type: none"> • cash compensation of the replacement value of the assets lost (the value of the compensation/indemnification necessary to obtain the replacement cost for the lost assets), • transfer or reconstruction of lost assets.
Loss of plantings	Owners, perpetual usufruct holders, autonomous holders of properties - the number will be determined at the stage of issuing the IPIP decision and valuation report preparation	<ul style="list-style-type: none"> • Cash compensation, including costs for arranging and curing of plants and for lost crops, • Allowing for harvest
	Users - the number will be determined at the stage of issuing the IPIP decision and valuation report preparation	<ul style="list-style-type: none"> • Cash compensation, including costs for arranging and curing of plants and for lost crops, • Allowing for harvest
	Lessees, tenants	<ul style="list-style-type: none"> • Cash compensation, including costs for arranging and curing of plants and for lost crops, • Allowing for harvest
	Illegal possessors	<ul style="list-style-type: none"> • Allowing for harvest
Commune Assets	Commune	Reconstruction or replacement of the lost structure in consultation with communes.
Temporary acquisition of properties	Owners, perpetual users, autonomous possessors of properties	<ul style="list-style-type: none"> • Cash compensation or other form agreed with the authorized party, • Reinstatement of the property to its previous status or to the condition indicated in the agreement.

Impact / damages	Determination of PAP	Compensation
	Illegal possessors of properties	<ul style="list-style-type: none"> Reinstate the property to its previous status or to the condition indicated in the agreement.
	Leaseholders, users of properties	<ul style="list-style-type: none"> Cash compensation or other form agreed with the authorized party, Reinstate the property to its previous status or to the condition indicated in the agreement.

Details concerning the eligibility of people entitled to compensation are included in Appendix no. 2 to this LA&RAP.

10 Stakeholders

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

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

External stakeholder	Type of impact on LA&RAP	Engagement Period
Competent Minister (for the day of developing the LA&RAP – Minister of Development, Labor and Technology)	<ol style="list-style-type: none"> 1. Consideration of the appeal against the IPIP 2. Consideration of the appeal against the decision establishing compensation amounts 	<ol style="list-style-type: none"> 1. After the issuance of IPIP decision, in case of withdrawal. 2. After the issuance of decision on the compensation amount, in case of withdrawal.
Regional Director for Environmental Protection in Cracow	<ol style="list-style-type: none"> 1. Issuance of the ED 	03/24/2020, decision became final on 06/16/2020
Minister of Maritime Economy and In-Land Navigation	<ol style="list-style-type: none"> 1. Issuance of a decision on the water-law permit 	09/23/2020, decision became final on 10/15/2020
Governor of the Malopolska Region	<ol style="list-style-type: none"> 1. Issuance of the IPIP 2. Issuance of the decision establishing compensation amounts 	<ol style="list-style-type: none"> 1. Proceeding the IPIP decision in progress (application submitted on 01/12/2021). 2. After the issuance of decision on the compensation amount, in case of withdrawal and re-consideration of the application.
Mayor of Cracow	<ol style="list-style-type: none"> 1. Representation of the Municipality as an entity subject to influence (PR) 2. Informing PAPs on public consultations 3. Direct participation in public consultations 	<ol style="list-style-type: none"> 1. On the stage of LA&RAP development. 2. During consultations for the Draft LA&RAP.
City Council of Cracow Municipality	<ol style="list-style-type: none"> 1. Representation of the Municipality as an entity subject to influence (PR) 2. Informing PAPs on public consultations 3. Direct participation in public consultations 	<ol style="list-style-type: none"> 1. On the stage of LA&RAP development. 2. During consultations for the Draft LA&RAP.
Units to be influenced by PR	<ol style="list-style-type: none"> 1. Determination of needs and of damage suffered due to the planned PR 2. Direct participation in public consultations 3. Participation in an inventory 	<ol style="list-style-type: none"> 1. On the stage of IPIP procedure, issuance of that decision and establishment of the compensation amount. 2. On the stage of LA&RAP development.

External stakeholder	Type of impact on LA&RAP	Engagement Period
		3. During consultations for the Draft LA&RAP.
Citizens of Cracow	1. Direct participation in public consultations	1. On the stage of LA&RAP development. 2. During consultations for the Draft LA&RAP.

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

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

The community can be informed about the OVFM Project and the LA&RAP public announcement as well as the planned date of the public debate on the draft of LA&RAP, and about the possibility of submitting comments and applications to the draft of LA&RAP, by:

- publishing information on the website of the State Water Holding Polish Waters - wody.gov.pl
- posting information on the website of the Odra - Vistula Flood Management Project - odrapcu2019.odrapcu.pl
- posting information on the website and notice board of the Commune where the investment will be carried out,
- placing information on the notice board at the seat of the Investor / RZGW,
- advertisements in local media,
- placing information on communal notice boards /posters/ in the localities where the investment will be carried out,
- individual invitations sent to people whose properties will be a subject of PR,
- a consultation point for people affected by the Contract, where you can submit your conclusions and comments on the construction works carried out and planned activities,
- information materials /leaflets, posters, information brochure - attached as Appendix 8/

- social media /eg. Facebook profile SWH Polish Waters/.

In addition, stakeholders may request information on the OVFM Project and the planned Contract to the following addresses:

Project Office
AECOM Polska Sp. z o.o.
Project Office of *Odra-Vistula Flood Management Project*
1 Pokoju alley, Building K1 - piętro 4
31-548 Cracow
Mrs. Marta Rak, phone +48 601 824 298
Mr Tomasz Jankowski, phone +48 505 028 137

State Water Holding Polish Waters
Regional Water Management Authority in Cracow
OVFM Project Implementation Unit
22 Marsz. Józefa Piłsudskiego Street
31-109 Cracow
phone +48 (12) 62 8 42 09
jrp.krakow@wody.gov.pl

State Water Holding Polish Waters
State Water Management Authority
Odra-Vistula Flood Management Project Coordination Unit
8. Karkonoska Avenue Building BF (II floor), 53-015 Wroclaw
and 5 Morawskiego Street, 30-102 Cracow
phone +48 71 787 86 90
pcu@odrapcu.pl

11 Public consultations and public participation

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

So far, the local commune was informed about the Contract in the form of an announcements placed at the website of the Regional Director for Environmental Protection in Cracow (on the stage of ED issuance **from 03/24/2020**, the decision became final on **06/16/2020**) and of the Minister of Maritime Economy and In-Land Navigation (on the stage of issuing a Water Permit – on the stage of WP issuance **from 09/23/2020**, the decision became final on **10/15/2020**), as well as Małopolski Governor on the initiation of the procedure for IPIP issuing (information of **02/10/2021**) as commonly adopted, and on publicly accessible notice boards in localities, where the Contract shall be implemented.

The local public shall be also informed in announcements published at the website of the Małopolski Province Office and – as commonly adopted – on publicly accessible notice boards at the implementation site about the issuance of the IPIP.

Furthermore, the PAPs shall be informed about the aforementioned event in registered mail. The PAPs shall be provided by unit performing the proceeding of the IPIP with additional information on the possibility of acknowledging the documentation and of stating their remarks and filing their motions prior to the issuance of this decision. Moreover, the PAPs shall be informed about the possibility and the method of filing an appeal against this decision.

The Investor shall inform the PAPs about submission of application on the issuance of IPIP and about the issuance of IPIP in registered mail, regardless of information provided by the Governor of the Malopolska Region. Information about the submission of the IPIP application was sent to PAP in 01/14/2021.

On 01/22/2020 the Consultant informed private owners of the properties subject to permanent restriction in writing about the planned socio-economic survey to be conducted in January and February. In its correspondence, the Consultant explained the validity of the planned survey, main objective of which was to determine the impact of the planned Contract on the quality of life of households of the expropriated properties' owners.

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

After completing the works on the draft LA&RAP and after obtaining acceptance for the commencement of disclosure procedure, the documents were subject to public consultations held in accordance with requirements of the World Bank's operational policy (OP 4.12), which were to enable natural persons, institutions, and any interested parties with the possibility of acknowledging contents of those documents, and to assure the possibility of providing remarks, enquiries, and requests referring to its contents.

The publication of the Draft Land Acquisition and Resettlement Action Plan was commenced on **March 17, 2021**, at publication of an announcement in Dziennik Polski and in internet issues of Dziennik Polski and Gazeta Krakowska (local magazines) (Appendix no. 6 to the LA&RAP). The announcement invited natural persons, the authorities, and interested institutions to review the Draft LA&RAP for the Works Contract 3A.5.

As indicated in the announcement (quote): (...) DUE TO THE EPIDEMIC STATE IN POLAND AND CARE FOR YOUR HEALTH, THERE SHALL BE NO CONSULTATION MEETING IN A FORM OF PUBLIC DEBATE; HOWEVER, FOR THE PURPOSE OF PROVIDING YOU WITH A POSSIBILITY OF REVIEWING THE LA&RAP AND A POSSIBILITY OF FILING REQUESTS AND REMARKS, IT WAS DECIDED THAT THE CONSULTATIONS SHALL BE DONE IN A CORRESPONDENCE FORMULA, WHILE USING AVAILABLE (SAFE) COMMUNICATION CHANNELS. (...)

The Draft LA&RAP was published at the following websites:

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

Every interested individual was able to file remarks and motions to the DRAFT LAND ACQUISITION AND RESETTLEMENT ACTION PLAN:

- in a written form (i.e. by letter) to the following address of PIO in Cracow: State Water Holding Polish Waters Regional Water Management Authority in Cracow, 22. Marszałka J. Piłsudskiego Street, 31-109 Cracow,
- in a digital form to the following e-mail address: jrp.krakow@wody.gov.pl,
- and by phone at the following numbers: **505 028 137, 601 824 298** (on working days from 9:00 am to 5:00 pm);

on working days **from 03/17/2021 to 04/07/2021**, inclusive (21 days). An institution responsible for consideration of remarks and motions was PGW WP RZGW in Cracow.

Except for publication in the press (Dziennik Polski and internet issues of Dziennik Polski and Gazeta Krakowska – local newspapers), as indicated above, the announcement has been:

- placed on notice boards of PGW WP RZGW in Cracow (on entry doors), City Office of Cracow (on notice boards – unfortunately the Offices were closed for applicants then),
- published at websites of the institutions indicated above,
- except for announcements displayed at performance sites, posters informing about the Works Contract 3A.5 were also displayed.

Every owner of properties subject to permanent restrictions in the use was provided – place of residence / correspondence address or address given in the register of land and buildings – by Polish Post, priority registered mail with e-mail confirmation, with information packet concerning the Draft LA&RAP, which comprised the following:

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

An example set of documents has been attached to this Report (Appendix no. 6 to the LA&RAP).

After 10 days from provision of the documents, a process of direct telephone discussions with the PAPs has been commenced, and it aimed at presenting effects of the investment on their situation and at provision of information on the properties to be permanently restricted in the use for the purpose of Task implementation, as well as at clarifying potential doubts related to contents of the LA&RAP.

None of the PAPs (mailed persons) requested for submission of the LA&RAP by mail, and such a possibility was proposed to persons without an access to the Internet.

Publication of the Draft LA&RAP, commenced officially on **March 17, 2021**, was completed after 21 days on **April 7, 2021**.

A webinar was held on **April 8, 2021, from 5.00 pm to 7.00 pm**, within the framework of public consultations for the draft LA&RAP, during which Representative of the Consultant for the LA&RAP, at support of the Designer, displayed a multimedia presentation. The presentation especially included the following information:

1. The objective and funding for the OVFMP were discussed briefly.
2. It was clarified why the draft LA&RAP was developed, and how did its publication procedure look like.
3. The issue of changing the investor was discussed, i.e. liquidation of Małopolski Board of Amelioration and Water Structures in Cracow on 12/31/2017 and creation of a new unit on 01/01/2018 – State Water Holding Polish Waters, which took rights and liabilities of the liquidated unit over.
4. Information on the Works Contract 3A.5 were presented (technical scope associated with restriction in the use of properties, and actions that shall not require land acquisition).
5. Number of properties to be permanently restricted in the use – in division into ownership categories – was informed.
6. Legal bases for the development of LA&RAP were indicated.
7. Mitigation measures were discussed, with special consideration of the issue of purchasing – based upon the owner's request – of the properties subject to permanent restrictions in the use (PR).
8. Most attention was paid to legal regulations referring to the procedure of issuing IPIP decisions, payment of compensation for PR, submission of appeals, and the grievance redress mechanism.
9. Information on temporary acquisition was presented.

After completion of the presentation the webinar's lecturer answered questions, which were submitted within the publication period for the Draft LA&RAP.

7 people attended the webinar.

During the publication process for the Draft Land Acquisitions and Resettlement Action Plan:

- 5 telephone discussions were held;
- 1 enquiry/motion was provided;
- interest in the documents was noted; downloads of files from websites given in the announcement were observed.

Remarks and motions provided during the debate have been analyzed in terms of necessary corrections to the final version of the document. Considering the nature of remarks, requests, and questions asked during the consultations by the public in the disclosure period for the Draft LA&RAP for Contract 3A.5, authors of the document concluded that its contents require implementation of modifications/corrections resulting from the publication procedure. The Consultant developed and submitted a written answer to questions asked.

After obtaining the WB's "no objection" the final LA&RAP shall also be made available to the interested parties, i.e. it shall be uploaded to a website and left there until completion of Contract implementation. Any updates of the LA&RAP shall also be available to the interested parties at websites of the PIO and the PCU.

11.1 NEGOTIATIONS

Negotiations with the PAPs shall be done individually with a given PAP, depending on the type of impact on the household. All of the interested people have a right to participate in negotiations on an equal basis. The fields of negotiations shall depend on the type of affected assets, what would allow for satisfying the needs of every PAP in reference to the effects for the given PAP, i.e.:

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

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

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

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

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

12 The Complaint Management Mechanism

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

12.1 THE GENERAL COMPLAINT AND MOTION MANAGEMENT MECHANISM

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

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

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

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

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

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

or via e-mail to: jrp.krakow@wody.gov.pl.

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

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

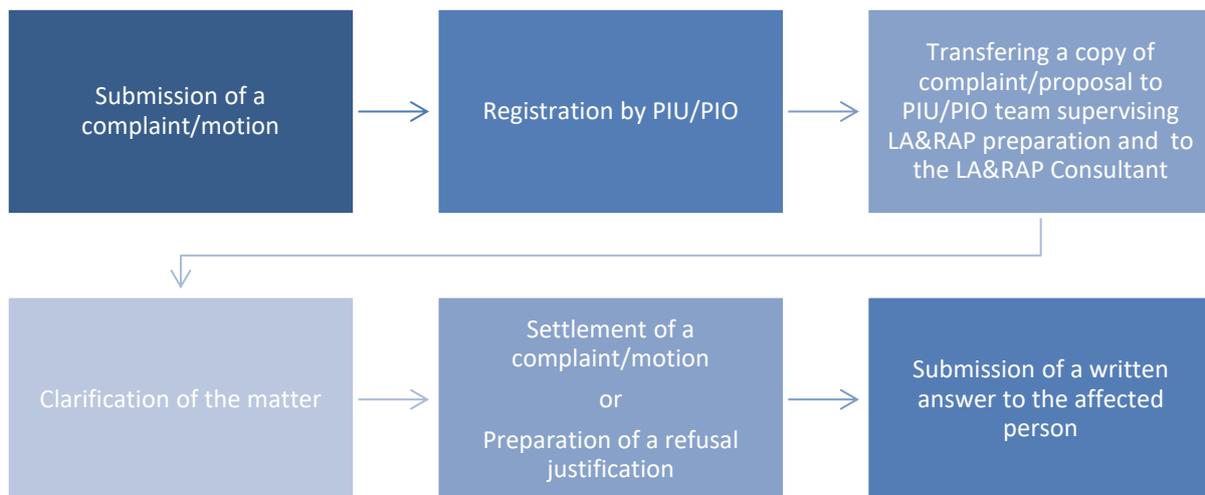
In particularly complex cases as well as in cases where the examination of the complaint or motion requires introducing changes to the LA&RAP, the term allowed for answering a complaint or motion shall be extended to 30 days. If this term is too short, the party shall be notified of the cause for not

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

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

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

Figure 5 – Scheme of general mechanism for management of complaints and motions



12.2 SPECIAL COMPLAINT AND MOTION MANAGEMENT MECHANISMS

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

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

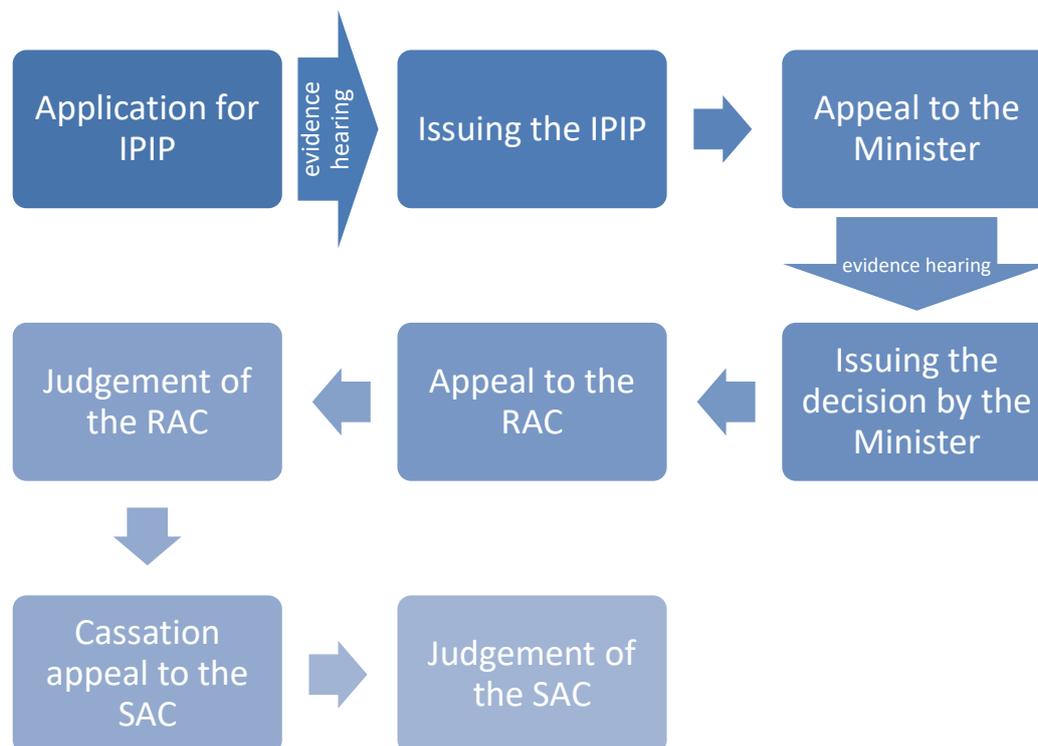
Persons whose property is within the contract implementation area shall be parties to the IPIP issuance proceedings. They have the right to participate actively, free of charge, in the proceedings concerning the issuance of the IPIP, including the right to submit comments and motions directly to the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

If the parties are not satisfied with the decision issued by the Governor, they will be entitled to lodge an appeal with the competent Minister. All statements, motions and evidence submitted in the proceedings before the minister will have to be considered by the minister when issuing the decision.

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

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

Figure 6 - Complaint management mechanism at the IPIP stage



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

For properties expropriated on the basis of the IPIP, protocols and other documents sent to each other by the parties during negotiations, will be transferred to the Governor of the Malopolska Region unless an agreement on compensation is reached. These documents, in addition to the valuation report, will constitute the basis for the decision on the amount of compensation.

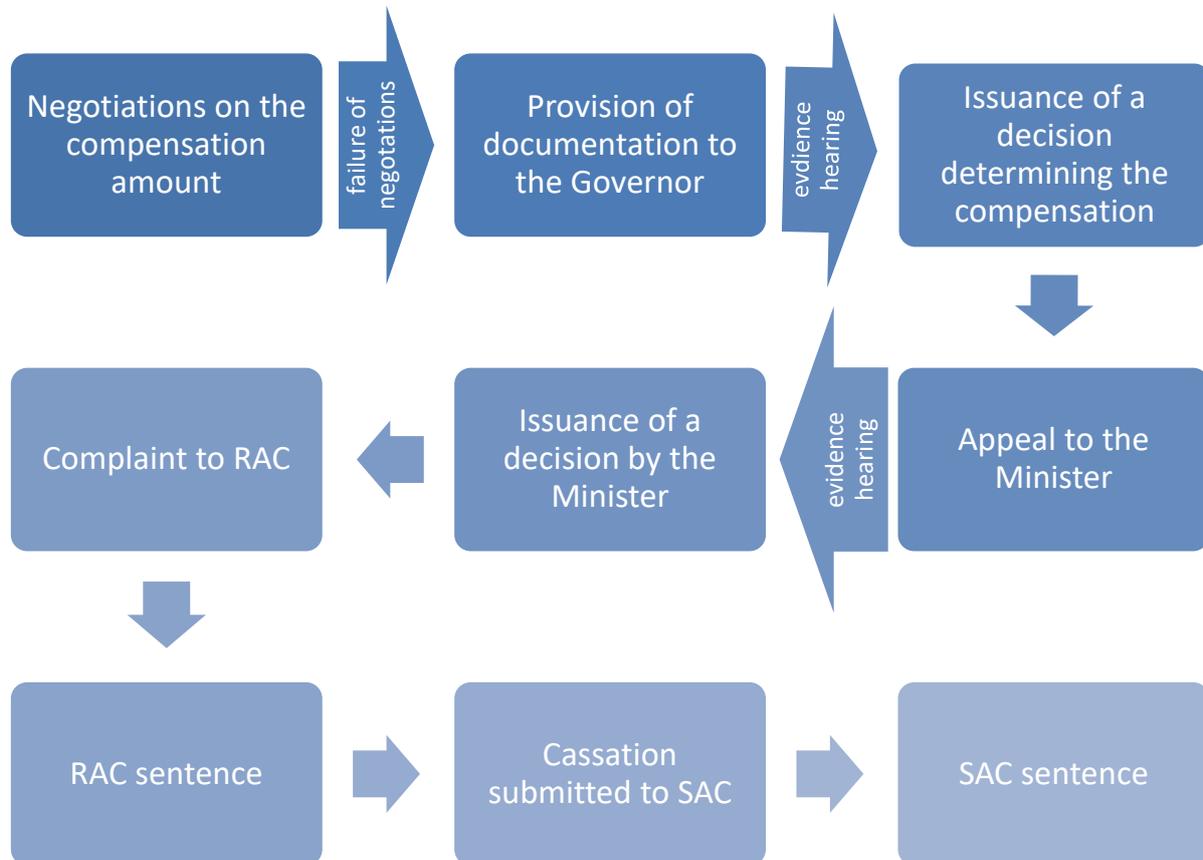
PAPs' rights in the proceedings concerning the issue of the decision determining the amount of compensation are analogous to those in the IPIP proceedings. It means that the PAPs have the right to actively participate in those proceedings free of charge, submit remarks and motions, appeal against the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

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

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

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

Figure 7 – The complaint management mechanism at the stage of issuing a decision determining the compensation amount (after issuance of IPIP and its final status)



12.3 THE SUBMISSION MECHANISM FOR CLAIM AND MOTIONS CONCERNING IMPLEMENTATION OF THE WORKS CONTRACT

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

12.3.1 Places where complaints and motions may be submitted

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

1. Directly in the main Project office, which shall fulfil the function of a consultation point:
AECOM Polska Sp. z o.o., Odra-Vistula Flood Management Project Office, 1. Pokoju Alley, Building K1, Cracow 31-548,
Mr. Tomasz Jankowski, tel. +48 505 028 137 (Properties Specialist, AECOM Polska Sp. z o.o.).
2. Directly in the Employer's office:
PGW WP RZGW in Cracow
22. Marsz. Józefa Piłsudskiego Street

31-109 Cracow

+48 (12) 62-84-209 (Mrs. Aleksandra Macek - PGW WP RZGW in Cracow, Senior Specialist, Mr. Rafał Sionko PGW WP RZGW in Cracow, Specialist).

3. Directly in the office on the construction site (the address of this office will be announced on the website of the Works Contract within 1 month before starting work).

In addition, complaints and motions may be submitted:

- via mail to the addresses, as above, or

- via internet:

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

e-mail: jrp.krakow@wody.gov.pl

12.3.2 Time for consideration of complaints and motions

Terms of considering complaints and motions:

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

The principles referenced in Clause 12.1 concerning the consideration of complaints and motions are also binding upon that type of complaints.

The proposed complaint registration form is presented in Appendix 5.

12.3.3 Persons responsible for consideration of complaints and motions

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

12.3.4 Audits and independent appeal mechanism

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

12.4 PERSONAL DATA PROTECTION POLICY FOR THE CONTRACT

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

12.4.1 Who is the personal data administrator?

In accordance with Article 13 (1) and (2) of the general regulation on the personal data protection dated April 27, 2016, the personal data is administered by the State Water Holding Polish Waters with its registered office in Warsaw 00-848, 59A. Żelazna Street. It is responsible for using the data safely and in accordance with the valid law - especially in accordance with the provisions of Regulation (EU)

2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

12.4.2 Contact details for the Personal Data Inspector

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

12.4.3 Legal basis for processing

The legal basis for the processing of personal data is Article 6 (1) letter e) of Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC in connection with Article 3 of the Law of July 8, 2010 on particular conditions for preparing flood management contracts for implementation.

12.4.4 What personal data may be collected and for what purpose?

Personal data is any information of personal character, allowing to identify a particular person. **PGW WP RZGW in Cracow** collects only such data as necessary for execution of the Contract carried out by **PGW WP RZGW in Cracow** (in this case it relates to execution of the Works Contract 3A.5 *Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow*). Such data is processed solely to the extent provided for by PAPs, with their voluntary consent expressed with a relevant form and may include:

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

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

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

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

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

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

12.4.6 To whom the personal data may be made available?

PAPs' personal data may only be disclosed to:

- a) entitled public entities for the purpose of procedures they conduct, when **PGW WP RZGW in Cracow** is so obliged under relevant regulations and documents (e.g. a court summons, injunction order or another legal procedure),
- b) the agencies involved in execution of the Works Contract "*3A.5 Development of a flood gate at the left flood embankment in the area of water intakes for the Sendzimira Steel Mill in Cracow*", only as far as necessary for performance of particular activities.
- c) postal operators, in order to inform PAPs,
- d) representatives of the Consultant and lawyers in order to support the implementation of the Works Contract and compensation payments.

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

12.4.7 Rights of the person to whom data applies

Each PAP has the right to:

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

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

12.4.8 Contact to supervising authorities considering complaints

President of the Office for Personal Data Protection

2. Stawki Street

00-193 Warsaw

phone +48 22 531 03 00

fax +48 22 531 03 01

Office opening hours: 8.00 am – 4.00 pm

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

12.4.9 Contact person at PGW WP RZGW in Cracow for data protection policy

Data Protection Inspector in PGW WP tel.: +48 22 37 20 213 e-mail: iod@wody.gov.pl

In RZGW in Cracow Regional Data Protection Inspector:

Tel.: +48 12 62-84-115 (Mrs. Katarzyna Szczepanek)

E-mail: riod.krakow@wody.gov.pl

12.4.10 Time of keeping the personal data

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

13 Institutional Structure and Implementation Team

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

Figure 8 – Institutional structure of the LA&RAP developing team

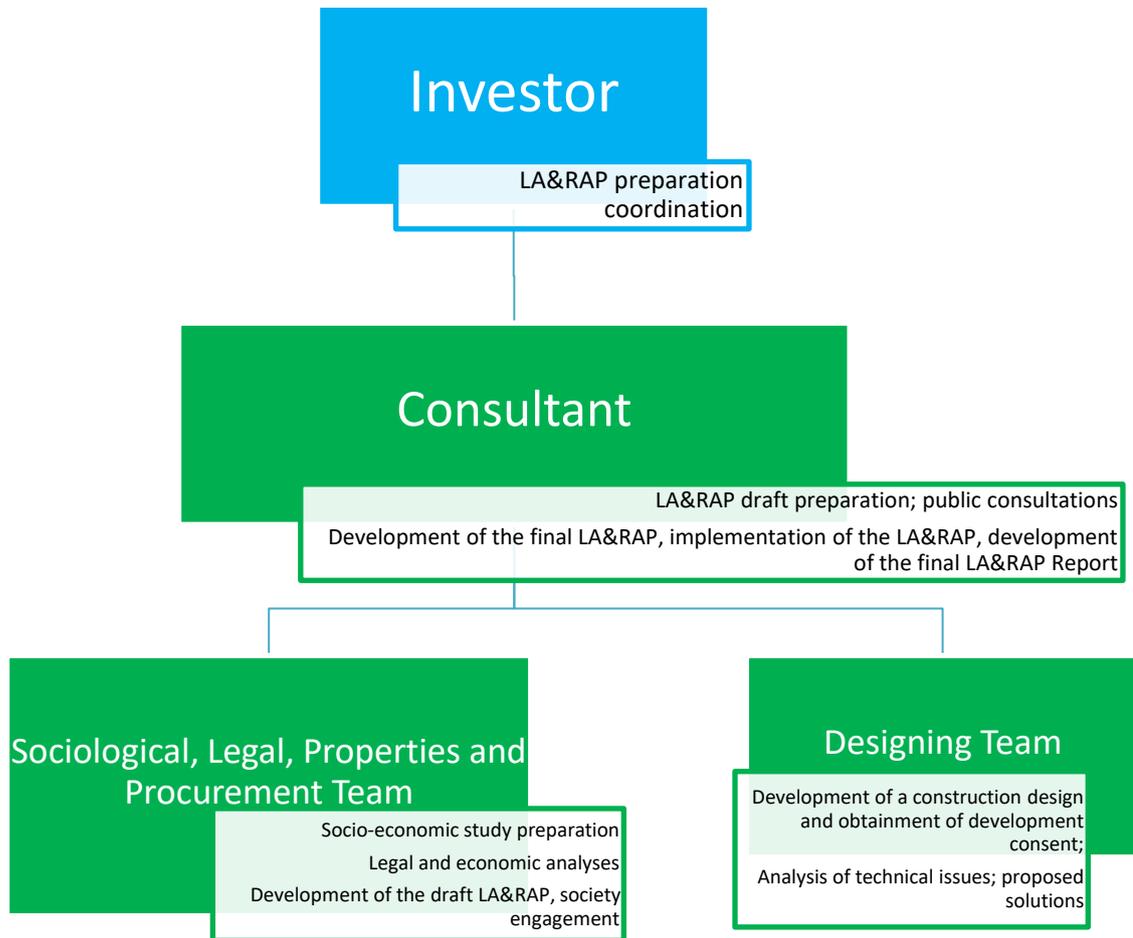
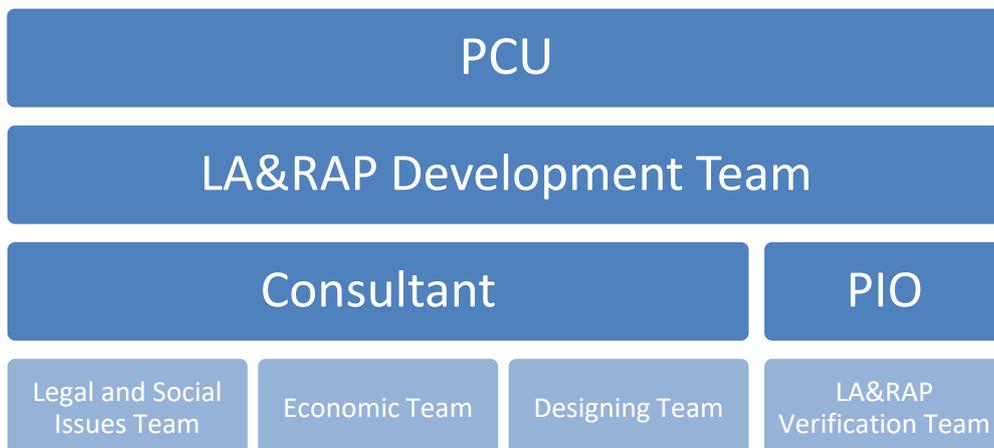


Figure 9 – Institutional structure for implementation of the LA&RAP, with presentation of the PCU in the structure.



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

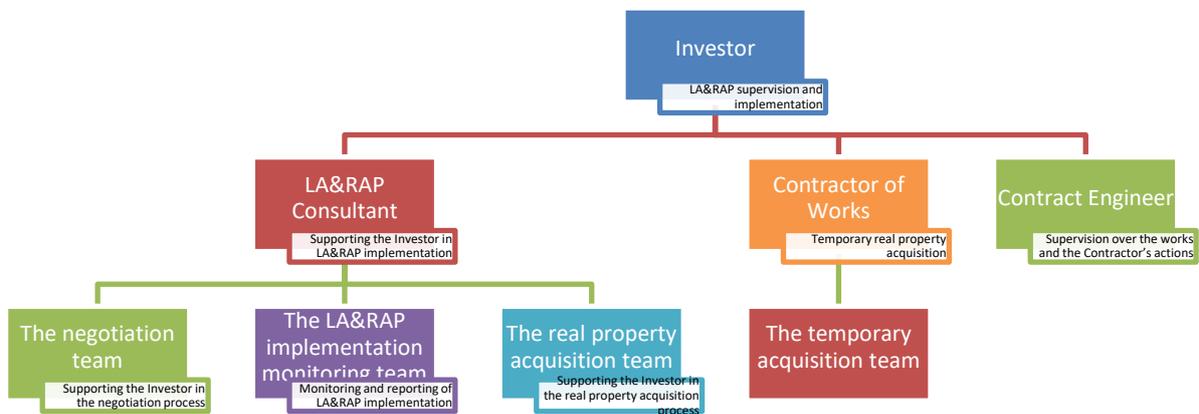
The scope of competence of the LA&RAP developing team is as follows:

1. The Investor – LA&RAP preparation coordination:
 - a. facilitation supervision over LA&RAP preparation;
 - b. monitoring the LA&RAP preparation process.

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

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

Figure 10 – The scope of competence of the LA&RAP implementation team



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

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

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

2. LA&RAP Consultant

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

3. Engineer

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

4. Contractor

- a. acquiring real property for temporary acquisition;
- b. payment of compensation for real properties acquired for temporary acquisition;
- c. performance of the works on real properties subject to PR and ;
- d. restoration of real properties acquired for temporary acquisition to their pre-Contract state or to the condition agreed under the agreement on temporary acquisition of the properties.

3. PCU

- a. Coordination of actions undertaken by the PIO within the framework of Contract implementation, also in terms of LA&RAP implementation, including submission of the Draft LA&RAP to the World Bank for the purpose of obtaining consent for the commencement of public consultations, and subsequently – after the public consultations – re-submission of the document for the purpose of obtaining NO for the final LA&RAP.

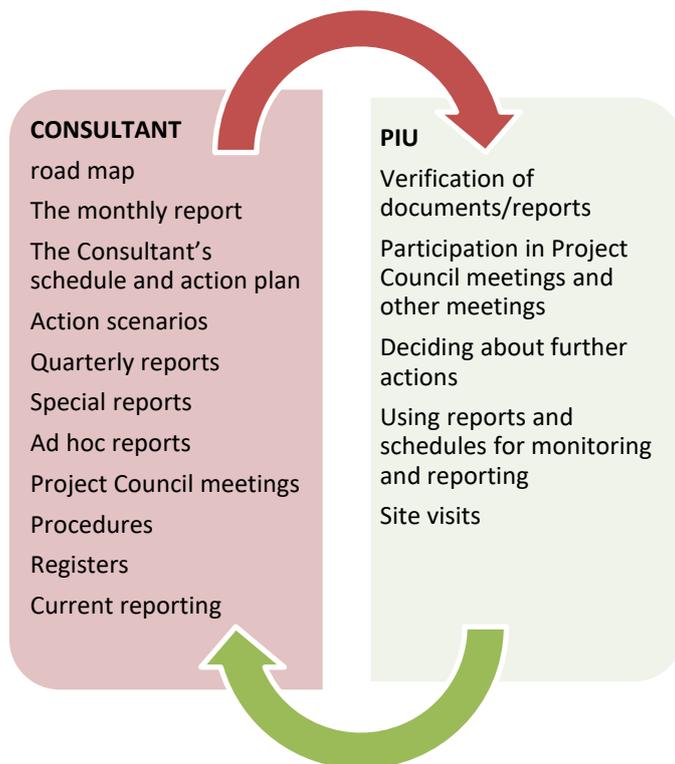
14 Monitoring and Evaluation

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

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

<https://odrapcu.pl/en/project-ovfmp/documents/>.

Figure 11 – Scheme of LA&RAP implementation monitoring



It is crucial for LA&RAP implementation monitoring that the Consultant and the PIU register events and facts, in particular via a correspondence register, a register of progress in obtaining titles to use real properties for construction purposes and a compensation payment progress register. The data

contained in those registers are used for preparing a set of data on the number of acquired real properties and the amount and type of provided compensation, in accordance with Appendix no. 1.

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

- a) the number of real properties to be expropriated and those already expropriated,
- b) the number of people requiring resettlement and already resettled,
- c) the number of real properties to be temporarily acquired (planned and achieved),
- d) the sum of all expenses of the resettlement process (planned and achieved),
- e) compensations paid for the loss of legal titles to real properties,
- f) compensations paid for loss of income sources,
- g) the implementation degree and status of protective measures,
- h) the number of complaints.

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

The main indexes to be monitored in relation to the Contract implemented by PGW WP RZGW in Cracow are shown in the table¹⁴ below.

Index	Source of information	Frequency of monitoring	Progress indicator
Assumed parameters			
Number of persons threatened by flooding	Data from model investigations	One-off at the Works Contract preparation stage	Number
Number of hectares of land threatened by flooding	Data from model investigations	One-off at the Works Contract preparation stage	Quantity (ha)
The number of real properties subject to expropriation	IPIP decision	Once, after issuing the decision	Number (items)
The number of real properties subject to permanent restriction in the use of properties	IPIP decision	Once, after issuing the decision	Number (items)
The number of real properties subject to temporary restriction in the use of properties	IPIP decision	Once, after issuing the decision	Number (items)

¹⁴ Since there are no physical and economic resettlements, the PAPs will remain in their households and impact on the level of income is not anticipated.

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

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

The monitoring results will be presented in the monthly reports and in quarterly reports. The ex-post evaluation will be conducted six months after the LA&RAP is fully implemented and its objectives will be assessed and it will provide documented evidence that directly affected PAPs have successfully established a standard of living equal to, or better than, pre-Project levels.

15 Costs and Budget

No.	Item	Unit	Price PLN/m ²	Area [ha] Qty. [items]	Total [PLN]
1	Permanent restriction in the use ¹⁵ (private plots, municipal plots, and plots with undefined legal status)	Hectare	No data	0.1866 ha 3 units	No data *
2	Court costs ¹⁶	Not applicable	No data	No data	No data
3	Costs of implementation of LA&RAP ¹⁷	Not applicable	No data	No data	No data
4	Unexpected costs (+20% to the total of item no. 1)	PLN	Not applicable	Not applicable	No data
5	Total: (sum of the items - No.: 1-5)	PLN	Not applicable	Not applicable	No data

* the amounts shall be established by an independent assessor

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

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

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

The unexpected costs include potential purchase cost for properties, based upon a motion of the owner filed in conformity with Article 22 (2) of the Special Flood Act. The costs of IPIP implementation will include, among others, the costs of correspondence with PAPs and the costs of remittances in case of compensation payment to persons without a bank account.

¹⁵ The final quantity shall be established in the IPIP decision.

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

¹⁷ The amount shall be determined on the stage of establishing the compensation amount with the PAP.

16 LA&RAP Implementation Schedule

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

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

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

LA&RAP IMPLEMENTATION			
Steps	Action	Responsibility	Verification of performed actions
1	Determination of a detailed LA&RAP implementation schedule	Consultant – Legal, Properties and Procurement Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation
2	Submission of motion for the IPIP	Consultant – Designing Team (upon Investor’s authorization)	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation

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

LA&RAP IMPLEMENTATION			
Steps	Action	Responsibility	Verification of performed actions
11	LA&RAP implementation evaluation	Consultant – Legal, Properties and Procurement Team, Financial Team	PIO in PGW WP RZGW in Cracow – team for LA&RAP monitoring and implementation

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

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

17 Appendices

17.1 PROPERTY ACQUISITION PROGRESS TABLE

Appendix 1 - The table has been attached in a digital version.

17.2 TABLE – LIST OF PROPERTIES, OWNERS, AND IMPACT

Appendix 2 - Table – List of Real Properties, Owners, and Impact.

17.3 REAL PROPERTY PURCHASE SCHEDULE

Appendix 3 - The schedule has been attached in a digital version.

17.4 SOCIO-ECONOMIC SURVEY

Appendix 4 - The survey has been attached in a digital version.

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

Appendix 5 - The form has been attached in a digital version.

17.6 REPORT ON THE ORGANIZED PUBLIC DISCUSSION ON THE LA&RAP DRAFT

Appendix 6 - The report on public consultation attached in a digital version.

17.7 TEMPLATE OF AGREEMENT ON TEMPORARY ACQUISITION OF LAND

Appendix 7 - The agreement has been attached in a digital version.

17.8 INFORMATION BROCHURE

Appendix 8 - Brochure attached in an electronic version.

17.9 MAPS WITH LOCATION OF CONTRACT ELEMENTS

Appendix 9A – Map has been attached in a digital version.

Appendix 9B – Map has been attached in a digital version.