# Republic of Macedonia Public Enterprise for State Roads



# RESETTLEMENT ACTION PLAN Shtip – Radovish Expressway

- October, 2018 -

Prepared by: BIOS PRO dooel, Skopje



| BIOS PRO dooel, Skopje (2018); <b>Resettlement Action Plan</b> for the Expressway Shtip - Radovish; for Public Enterprise for State Roads, Skopje, Republic of Macedonia |   |  |  |  |
|--|---|--|--|--|
| Responsible entity:  | BIOS PRO dooel, Skopje, Republic of Macedonia |  |  |  |
| Author/s:  | Boris Stipcarov                               |  |  |  |
| Place:   | Skopje  |  |  |  |
| Date:  | October 2018                                  |  |  |  |



# Contents

| ABBRE  | VIATIONS   | 6    |
|--------|--|------|
| GLOSS  | ARY  | 7    |
| 1.     | Introduction   | . 10 |
| 2.     | Objectives   | . 10 |
| 3.     | The Project  | . 11 |
| 3.1.   | Summary Project Description                            | . 11 |
| 3.2.   | Communities in the Project Area & Land Use Context     | . 12 |
| 3.3.   | Project's Footprint                                    | . 14 |
| 3.4.   | Analysis of Alternatives                               | . 18 |
| 4.     | Project Impacts  | . 19 |
| 4.1.   | Summary of Project Impacts                             | . 19 |
| 4.1.1. | Project Land Requirements                              | . 19 |
| 4.1.2. | Economic & Physical Displacement Impacts               | . 20 |
| 4.2.   | Methodology for acquiring relevant information         | . 22 |
| 4.2.1. | Identification of affected parcels                     | . 23 |
| 4.2.2. | Identification of Affected Land Users                  | . 23 |
| 4.2.3. | Analysis of Gathered Data                              | . 23 |
| 4.3.   | Identified Impacts                                     | . 24 |
| 4.3.1. | Type and Classification of Affected Land in Macedonia  | . 24 |
| 4.3.2. | Impact on Land   | . 25 |
| 4.3.3. | Impact on Crops  | . 25 |
| 4.3.4. | Impact on Trees  | . 26 |
| 4.3.5. | Impact on Buildings / Structures                       | . 28 |
| 4.4.   | Impact on People and Publicly-owned Property Resources | . 28 |
| 5.     | Socio-economic Assessment                              | . 29 |
| 5.1.   | Methodological notes                                   | . 29 |
| 5.2.   | Demographic Characteristics of Affected Population     | . 29 |



| 5.3.   | Households and Dwelling31  |
|--------|--|
| 5.4.   | Land use and Livelihood  |
| 5.5.   | Vulnerable Groups  |
| 6.     | Legal Framework  |
| 6.1.   | National Legislation   |
| 6.2.   | Macedonian Legal Framework for Social Issues                         |
| 6.2.1. | Expropriation Process  |
| 6.3.   | EBRD Policy Framework41  |
| 6.4.   | Gaps Analysis between Macedonian Legal Framework & EBRD Requirements |
| 7.     | Institutional Framework  |
| 8.     | Eligibility and Entitlements   |
| 8.1.   | Eligibility Criteria & Categories                                    |
| 8.2.   | Entitlements Matrix  |
| 8.3.   | Cut-off Dates  |
| 9.     | Valuation and Compensation for Losses                                |
| 9.1.   | Methodology for Valuation and Compensation                           |
| 9.2.   | Methodology for Valuation of Real Estate Assets                      |
| 9.3.   | Methodology for Valuation of Agricultural Assets                     |
| 9.4.   | Replacement valuation  |
| 10.    | Resettlement Measures  |
| 11.    | Public Consultation & Disclosure                                     |
| 11.1.  | Public Consultations   |
| 11.2.  | Public Disclosure  |
| 11.3.  | Future Participation and Disclosure Activities                       |
| 12.    | Grievance Redress Mechanism  |
| 12.1.  | Grievance Redress Committee: Tasks and composition                   |
| 13.    | Organizational Responsibilities                                      |
| 14.    | Implementation Schedule  |
| 15.    | Costs and Budgets  |

| 16.   | Monitoring and Evaluation  | 60   |
|-------|--|------|
| 17.   | Reporting  | 61   |
| ANNEX | ES   | 62   |
| Annex | 1: Grievance Form  | 63   |
| Annex | 2: Valuation of land in Municipality of Radovish, by zones                                   | 64   |
| Annex | 3: Brief Presentation of Expropriation Process in Line with National Legislation             | 66   |
| Annex | 4: Socio-economic Questionnaire  | 67   |
| Annex | 5: Images from the Meetings with Affected Parties (People / Legal Entities)                  | 71   |
| Annex | 6: List of Participants  | . 73 |
| Annex | 7: Additional Elaborations on Expropriated Land  | . 77 |
| Annex | 8: Additional details on land use patterns by the interviewed sample of affected land owners | . 80 |

#### **ABBREVIATIONS**

AREC - Agency for Real Estate Cadastre

GoRM - Government of Republic of Macedonia

EBRD - European Bank for Reconstruction and Development

EU - European Union

ESP - Environmental & Social Policy

FL - Fertile Land

IL - Infertile Land

Km - Kilometre, used to identify chainage (distance along road corridor) & length

LARF - Land Acquisition and Resettlement Framework

LUB - Land Under Building

LUO - Land Under Object

MTC - Ministry of Transport and Communications

NGO - Nongovernmental Organization

NTS - Non-Technical Summary

OG - Official Gazette

OGRM - Official Gazette of Republic of Macedonia

PAP - Project Affected People/Persons/Parties

PESR - Public Enterprise for State Roads

PIU - Project Implementation Unit

PR - Performance Requirement

RAP - Resettlement Action Plan

RIU - RAP Implementation Unit

RM - Republic of Macedonia

SEP - Stakeholder Engagement Plan

UCL - Urban Constructed Land

UNCL - Urban Non-Constructed Land

#### **GLOSSARY**

**Census**: Household survey that covers all Project Affected Persons irrespective of entitlement or ownership. It provides a complete inventory of all project affected persons and their assets. It can be used to minimize fraudulent claims made by people who move into the area affected by the project in the hope of being compensated and/or resettled.

Compensation: Payment in cash or in kind of the replacement value of the acquired property

**Involuntary**: Actions that may be taken without the displaced person's informed consent or power of choice.

**Involuntary Resettlement (IR):** The unavoidable displacement of people and/or impact on their livelihood, assets and common property resulting from development projects that create the need for rebuilding their livelihood, sources of income and asset bases.

Land Acquisition and Resettlement Framework (LARF): Document that sets out the Project's planned approach, processes, responsibilities and compensation entitlements to land acquisition and resettlement

**Project Affected Person (PAP)** includes any person or persons who, on account of the execution of the Program, or any of its Projects, sub-components or parts thereof, will have their right, title, or interest in any house, land (including residential, agricultural and grazing land) or any other fixed or moveable asset acquired or possessed, in full or in part, permanently or temporarily, adversely affected; or business, occupation, work, place of residence or habitat adversely affected; or standard of living adversely affected;

**Public Involvement**: The dialogue encompassing consultation and communication between a project proponent and the public. It includes dissemination, solicitation and presentation of information.

**Resettlement:** General term related to land acquisition and compensation for loss of assets, whether it involves actual relocation, loss of land, shelter, assets or other means of livelihood and includes all the measures taken to mitigate any and all adverse impacts of the Project on PAPs' property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation;

**Resettlement Action Plan (RAP)**: A time-bound action plan with a budget, setting out resettlement strategy, objectives, options, entitlements, actions, approvals, responsibilities, monitoring and evaluation.

**Resettlement Policy Framework** (RPF) refers to the present document which is the overall Policy Framework for Resettlement of Project Affected Persons (PAPs). The RPF describes the process and methods for carrying out resettlement under the Program, including compensation, relocation and rehabilitation of persons affected by the Program

**Replacement Value**: Method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be considered;

Relocation: Physical relocation of a PAP or PAPs from their pre-Program place of residence

**Stakeholders**: Those who have an interest in project development and who will be involved in the consultative process, and includes any individual or group affected by, or that believes it is affected by the

project; and any individual or group that can plan a significant role in shaping or affecting the project, either positively or negatively, including the host community/population.

**Vulnerable Groups:** Distinct groups of people who might suffer excessively from resettlement effects, such as, the old, the young, the persons with disabilities, the poor, isolated groups and single parents.

#### **EXECUTIVE SUMMARY**

The Macedonian Public Enterprise for State Roads (PESR) is proposing to undertake improvement works to approximately 40 km of the existing A4 highway between the cities of Shtip and Radovish in the eastern region of the Republic of Macedonia ('Macedonia'). The Expressway from Shtip to Radovish (the 'Project') has been developed by PESR in line with the national legislative requirements and those of the European Bank for Reconstruction and Development (EBRD). The EBRD is considering providing finance for the Project.

This document represents the Resettlement Action Plan (RAP) for the Construction of Express way Shtip-Radovish and respective construction waste landfills. It describes the policies and processes that will be followed throughout the project for the mitigation of adverse social impacts due to project activities among the project affected persons, with and without legal title, whose land/properties, will be expropriated for the execution of the construction works.

The Project will result in the loss of land, predominantly agricultural (some in use but mostly abandoned) and pasture/grassland areas with some wooded areas and pockets of small-scale cropping (e.g. tobacco etc.) and vineyards and orchards also being affected. The land is split between private and State ownership. There are some 1,586,139m² (15ha) that will be used for this project, of which 86% is state-owned land. Private land to be acquired amounts to 225,074 m², split between 305 owners.

No people are to be resettled. Project affected people will be compensated at full replacement and costs without depreciation in and after due consultation with them.

The cut-off date for this project is 19.07.2016. Socio-economic survey, was conducted in the period 01-15 December 2017, after inventory that provides basic information on affected land plots (i.e. total area and area to be acquired, land use & land category etc.) and all assets located on it (e.g. structures, crops, trees, orchards, businesses etc.) was completed.

After detailed assessment of the collected data, as well as information gathered during the site visit and completion of census questionnaire it can be confirmed that there are no vulnerable groups that might be affected by this project. There are indications that the project area, in the following years, will experience (not only the rural part, but urban, too) greater vulnerability not generated by the project but from the migration of young and economic active population abroad.

#### 1. Introduction

The Macedonian Public Enterprise for State Roads (PESR) is proposing to undertake improvement works to approximately 40 km of the existing A4 highway between the cities of Shtip and Radovish in the eastern region of the Republic of Macedonia ('Macedonia'). The Expressway from Shtip to Radovish (the 'Project') has been developed by PESR in line with the national legislative requirements and those of the European Bank for Reconstruction and Development (EBRD). The EBRD is considering providing finance for the Project.

This document represents the Resettlement Action Plan (RAP) for the Construction of Express way Shtip-Radovish and respective construction waste landfills. It describes the policies and processes that will be followed throughout the project for the mitigation of adverse social impacts due to project activities among the project affected persons, with and without legal title, whose land/properties, are expropriated for the execution of the construction works.

The Resettlement Action Plan is prepared to guide land acquisition and resettlement for the construction of the road in accordance to the requirements of the EBRD's Environmental & Social Policy 2014 (ESP 2014), and specifically Performance Requirement 5 (PR5) — Land Acquisition, Involuntary Resettlement & Economic Displacement and fit with the national legislation. This detailed Resettlement Action Plan (RAP) was developed based on the LARF, an overarching document that sets out the Project's planned approach to land acquisition and resettlement, without the full details of actual land ownership and use and the nature of the displacement impacts, which are provided in this RAP. A Socio-economic survey was undertaken, and it helps understanding the in-depth scale and magnitude of the economic and physical displacement and these impacts on the Project Affected Persons (PAPs).

## 2. Objectives

The objectives of the Resettlement Action Plan (RAP) will be as follows:

- To avoid or minimise involuntary resettlement, physical and economic displacement.
- To consider feasible alternative project designs to avoid or at least minimise displacement, while balancing environmental, social and financial costs and benefits.
- To mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to land.
- To provide compensation for loss of assets at replacement cost.
- To improve or, at a minimum, restore the livelihoods and standards of living of displaced persons to pre-project levels.

Unless properly managed, involuntary resettlement may result in long-term hardship and impoverishment for the affected communities and persons, as well as environmental damage and adverse socio-economic impacts in areas to which the affected persons have been displaced.

The main objective of this RAP is to ensure that the following land acquisition / and potential resettlement issues, all persons affected by it are properly consulted, made available to affordable and accessible grievance mechanisms and properly and in time compensated at full replacement cost or market value (which ever

higher) for their losses, and provided with rehabilitation measures so that they are at least as well off as they would have been in the absence of the Project.

# 3. The Project

#### 3.1. Summary Project Description

The national road network in Macedonia's eastern region lacks capacity to meet the Government's programme for promoting regional economic growth. Therefore, the upgrade of the national road network in the eastern region has been assigned a high priority by the Government.

The proposed Expressway lies within the Municipalities of Shtip and Radovish. This area is currently served by poor road infrastructure and the existing A4 road presents clear road and community safety risks. The current A4 road between Shtip to Radovish is a 2-lane single carriageway pavement over its full length, with a width of between 6.5 m and 7.0 m.

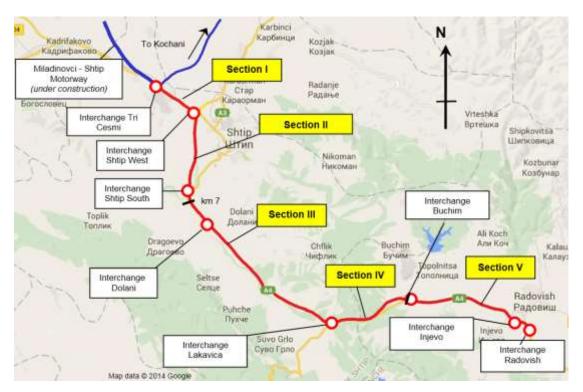
The local economy in the Project area is heavily dependent on agriculture and related food processing industries, with some textile and garment production and mining industries also being found in the area. Overall, the Project will improve connectivity, reduce journey times, and improve road safety along the road, as well as improving access to community services to the settlements along the route. Some short-term local employment opportunities may be seen during construction, and the improved connectivity will potentially contribute to stimulating growth and investment in the area in the long-term.

**Figure 1** illustrates the proposed 40 km Expressway Project alignment and its key elements. For 20 km of the corridor, the improvement Project involves the rehabilitation and widening of the existing A4 road, and the remaining 20 km involves creation of a new Expressway, constructed on a new alignment to the north-east of the existing A4 highway. The existing road will continue to act as a local access road for this new aligned Expressway stretch.

The Expressway Project is made up of the following 5 sections:

- Section I 3.2 km section running from the Interchange Tri Cesmi to Interchange Shtip West comprising of rehabilitation and widening of the existing A4 highway;
- Section II 7.4 km section running from the Interchange Shtip West through Interchange Shtip South terminating approximately 2 km from this interchange/junction comprising of rehabilitation and widening of the existing A4 highway;
- Sections III & IV 20.1 km of new Expressway which will be constructed on an alignment north-east of
  the existing A4 highway running from the end of Section II to Interchange Dolani to Interchange Lakavica
  then onto Interchange Buchim; and
- Section V 8.6 km section running from Interchange Buchim through Interchange Injevo to Interchange Radovish comprising of rehabilitation and widening of the existing A4 highway. This section includes parallel access roads for the local community, agricultural vehicles and other non-Expressway vehicles/users to use.

Figure 1 Shtip-Radovish Expressway Project Alignment & Sections



Sections I, II & V involve rehabilitation and widening of the existing road pavement along the existing A4 alignment to provide two 3.5 m wide traffic lanes and two 2.2 m wide hard shoulders. Sections III and IV in the central 20 km long section of the Expressway - will be constructed on a new improved alignment to meet the requirements of the current Macedonian road design standards.

The design speed for the Expressway is 110 km/hr. The new hard shoulders along the entire Expressway alignment, will act as emergency lanes to provide refuge for broken-down vehicles. The Project will have new safety barriers, road markings, road signs and road drainage along its full length and will be lit at interchanges, all in accordance with national design standards. For safety reasons, protection fencing will be installed along the entire Expressway route on both sides.

The existing A4 road is used by local communities and for agricultural vehicles; therefore access must be maintained to local lands and villages. Several new grade-separated interchanges and access/local side road arrangements are therefore included in the Project design. In addition, several structures - bridges, underpasses, culverts and retaining walls - will be installed along the route. A 'Shelter Belt' (or 'road reserve') 40 m each side of the Project Expressway will be established with restrictions being placed on certain activities within this 40 m width.

#### 3.2. Communities in the Project Area & Land Use Context

The proposed road alignment follows the existing A4 two-lane single carriageway road, which is situated largely in the flat terrain of a shallow river valley, with hills rising from the valley corridor on both sides. The hills in the wider area are mostly forested (natural and plantation), with areas of dry grassland interspersed between them. Several watercourses – mostly intermittent - cross the road corridor from north to south, the most significant of which is the Bregalnica River crossing, which is perennial.



Land along the route comprises of mostly agricultural land (in use with some abandoned) and pasture/grassland. There are some wooded areas (natural and conifer plantations) and pockets of other uses, such as small-scale cropping (e.g. tobacco, maize etc.), vineyards and orchards.

Along the existing road, there is one main village of Lakavica, and a small scattered area of houses referred to as 'New Damjan' as it is near the junction with the access road to the village of Damjan. Many small villages are in the hills surrounding the road, accessed up the escarpment via small roads and tracks. There is one mine operating in the area and population has been reducing drastically over time because of young people out-migrating, leaving the remaining population in some villages increasingly elderly.

The main local communities in the Project area are indicated on the schematic figure below, and with the exception of the regional centres of Shtip and Radovish, these communities are small or very small villages. Lying directly on the existing A4 route is the village of Lakavica which will be bypassed by the proposed Expressway (Section III). A relatively new small settlement of houses known as 'New Damjan' is located on the existing road. There are over 20 small and very small villages situated up the hillsides within 5 km of the existing road. These villages are generally accessed using small local roads/tracks, some of which are not asphalted. These villages are generally dependent on the existing A4 road corridor for access, including to public transport and the centres of Shtip and Radovish where the main community related services are located.

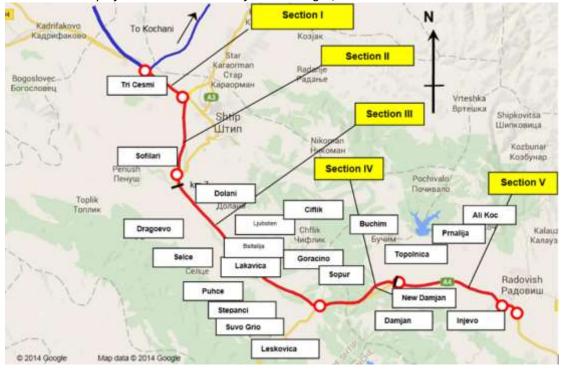


Figure 2 Schematic Map of Indicative Location of Local Villages/Communities

The villages within the Project affected area are generally small with some only having a few remaining households. Some of the local villages in the area are comprised of an increasingly elderly population due to the out-migration of younger generations for work, such as Damjan where only a few elderly residents permanently live with younger generations living in Shtip or Radovish or further afield. Overall the rate of out-migration is relatively high in the local area. These residents are increasingly vulnerable due to the prevalence of elderly residents remaining in the villages.

In the local communities between Shtip and Radovish generally residents' livelihoods are partially or fully land-based with small-scale tobacco, maize (etc.) and small vineries being amongst the key crops, and small-

scale livestock keeping; with some people accessing additional low-paid employment in Shtip and Radovish. Access to agricultural lands on both sides of the existing roads is essential, along with having a route for agricultural vehicles (e.g. including tractors, animal drawn carts etc.). Some villages may potentially farm land on a occasional basis, but this needs to be confirmed in the future land acquisition process. Over recent decades some land which was previously farmed has been abandoned.

There is a mixture of Macedonian (e.g. Dolani & Damjan) and Turkish villages (e.g. Topolnica) with a few villages having a mix of residents (e.g. Lakavica), this appears to be specifically in the villages in the Municipality of Shtip. Generally, the communities get on well and in harmony. Some of the Turkish villages are relatively conservative.

#### 3.3. Project's Footprint

The information on the affected land area, plots, owners and structures presented in this RAP is based on data available at the time of preparing the document. No temporary land take is expected to occur for the Works and/or by the Contractor. Data about waste disposal locations are already incorporated in the presented data.

The land needed for this project is located in two Cadastral municipalities in Republic of Macedonia – Shtip and Radovish.

Elaborates for expropriation for **Sections I** and **II** will be created in the following period, once the final design is agreed and concluded, and its documentation prepared and sent for approval to the responsible authorities.

Land take for Sections III, IV & V based on the adopted Elaborates for Expropriations is summarised below in Table 2<sup>1</sup>:

Table 1 Summary of Land Take by Cadastral Municipality

| Land Take per Municipality | Private<br>Individuals<br>(m²) | Mixed<br>ownership<br>(m²) | Government<br>(m²) | TOTAL<br>(m²) |
|----------------------------|--------------------------------|----------------------------|--------------------|---------------|
| Municipality of Shtip      | 82,804                         | 2,915                      | 999,868            | 1,085,587     |
| Municipality of Radovish   | 139,355                        | 0                          | 361,197            | 500,552       |
| TOTAL (m²)                 | 222,159                        | 2,915                      | 1,361,065          | 1,586,139     |

The main land part of the area that will be acquired is registered as a Pastures (619,773 m<sup>2</sup>) which comprises 39% of all land covered with this document. Best part of these pastures (94.4%) are governmentally owned.

Following as a second in line for the amount that will be acquired for this project are arable fields, thus comprising some 29% of the total required land, that is covered by this document. Some 40% of this type of land is privately owned, and 62% of this private land is in the Municipality of Radovish. Or, precisely said, 43% of this type of private land is in the Cadastral Municipality of Damjan. Privately owned fields, considered in

<sup>&</sup>lt;sup>1</sup> Geodetic elaborates for geodetic works for special purposes (for permanent expropriation) of the both municipalities Shtip and Radovish have been used as a source of information for the number of land plots affected per Municipality and summary of land take m2. The Elaborates were provided by PESR and produced by PRO-GEO DOO, company for geodetic works and design services from Kumanovo, R. Macedonia on 15.10.2014 (Geodetic elaborate for municipality of Stip- number 09-175/4 and Technical number 211/15; Geodetic elaborate for municipality of Radovis number 09-175/5 Technical number 212/15). Amended version of this document was produced on 24.11.2015 (technical number 285/15).



area, represent some 76.5% of all privately-owned land covered with this RAP, followed by Pastures which represent some 15.5% of total privately owned land that will be acquired.

The following table presents the exact figures of the land that will be taken for this project and is covered with this RAP. Only a minor part of total land, some 14% of all land that is covered by this RAP, is governmentally owned.

Table 2 Summary of land to be acquired, by Type of Land and Ownership

| Time of land for Francousistics           | Private individuals  |           | Private individuals Mixed ownership |           | Republic of Macedonia |           | TOTAL                |           |
|---|----------------------|-----------|-------------------------------------|-----------|-----------------------|-----------|----------------------|-----------|
| Type of land for Expropriation, owned by: | Number of<br>Parcels | Area (m2) | Number of<br>Parcels                | Area (m2) | Number of<br>Parcels  | Area (m2) | Number of<br>Parcels | Area (m2) |
| Meadows                                   | 1                    | 67        | 0                                   | 0         | 0                     | 0         | 1                    | 67        |
| Pastures                                  | 30                   | 34507     | 0                                   | 0         | 87                    | 585266    | 117                  | 619773    |
| Field                                     | 190                  | 169863    | 3                                   | 2915      | 67                    | 255943    | 260                  | 428721    |
| Forest                                    | 11                   | 4311      | 0                                   | 0         | 27                    | 232944    | 38                   | 237255    |
| Orchard                                   | 4                    | 690       | 0                                   | 0         | 6                     | 14077     | 10                   | 14767     |
| Vineyard                                  | 20                   | 12692     | 0                                   | 0         | 14                    | 32613     | 34                   | 45305     |
| Backyard                                  | 0                    | 0         | 0                                   | 0         | 2                     | 764       | 2                    | 764       |
| Land Under Object                         | 0                    | 0         | 0                                   | 0         | 2                     | 106       | 2                    | 106       |
| Stony fields                              | 2                    | 29        | 0                                   | 0         | 0                     | 0         | 2                    | 29        |
| Valley                                    | 0                    | 0         | 0                                   | 0         | 16                    | 9029      | 16                   | 9029      |
| Road                                      | 0                    | 0         | 0                                   | 0         | 49                    | 173560    | 49                   | 173560    |
| Uncharted Road                            | 0                    | 0         | 0                                   | 0         | 31                    | 42406     | 31                   | 42406     |
| River                                     | 0                    | 0         | 0                                   | 0         | 16                    | 14357     | 16                   | 14357     |
| TOTAL                                     | 258                  | 222.159   | 3                                   | 2.915     | 317                   | 1.361.065 | 578                  | 1.586.139 |

Regarding number of the parcels that are going to be affected with this project and are covered with this RAP, there is a relative balance with 55% of the affected parcels being in governmental possession.

The following figures 3, 4 and 5 shows the share of each affected Cadastral Municipality in the total figures, divided by ownership status, number of parcels and area affected.

Total Land for Expropriation by Total Land for Expropriation by Cadastrial Cadastrial Municipality and Number of Municipality and Area Parcels Damjan Dolani Lakavica 26% Topolnica Suvo Grio 6% Injevo Dragoevo Dragoevo Gorachino 3% 5% Prnalija Leskovica 9% Novo Selo Radovish voi Novo Sela Shtip 3 0% Selce Brest 2% Sofilari 1% 0% Brest

Damjan

19%

Topolnica.

2%

Suvo Grlo

Gorachino 1%

0%

2% Novo Selo

4%

Figure 3 Total land for expropriation, by Cadastral Municipality, Number of Parcels and Affected Area

The following figure illustrates the comparison between the affected land by Cadastral Municipality, Number of Parcels and affected Area. Both pies, shown on the following figure, illustrate the volume of impact that this project will produce. Most of the private property that will be acquired for this project is located in Cadastral municipality of Damjan, referring to both, the number of affected parcels and the affected area of land.

Figure 4 Affected of Land owned by individuals, by Cadastral Municipality, Number of Parcels and Affected Area

Radovish von

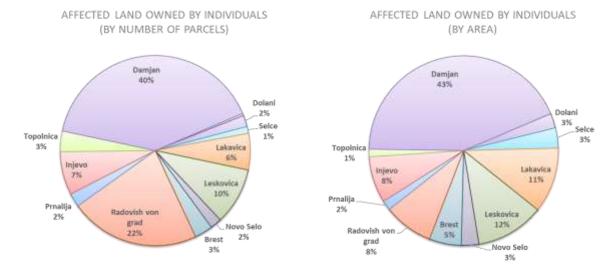
grad

2%

Prnalija

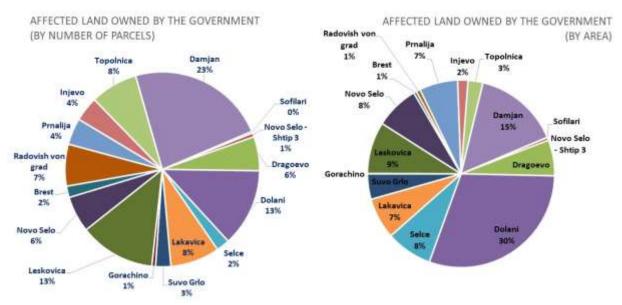
6%





Next figure gives overview and possibility for comparison of shares of both indicators, the Number of parcels and Area, of the governmentally owned land that will be subject to the process of Expropriation.

Figure 5 Affected Governmentally Owned Land, by Cadastral Municipality, Number of Parcels and Affected Area



Regarding ownership status, three types of land ownership are encountered within the project area: Private Individuals, which includes single and multi-person ownership of a single parcel, mixed ownership (Government of RM and Private individuals) and the Government (the State) being the sole owner of land to be acquired for this project. The breakdown of this state is presented on the following table. The governmentally owned land comprises some 55% of the total number of parcels that are to be acquired for the Project's purposes.

Table 3 Summary of number of affected parcels by Ownership Status and Cadastral Municipality

| Ownership Status    | Single<br>person | Several<br>individuals | Mixed<br>ownership | State | Total No. of<br>Parcels |
|---------------------|------------------|------------------------|--------------------|-------|-------------------------|
| Sofilari            | 1                | 0                      | 0                  | 1     | 2                       |
| Novo Selo - Shtip 3 | 0                | 0                      | 0                  | 2     | 2                       |
| Dragoevo            | 0                | 0                      | 0                  | 18    | 18                      |
| Dolani              | 3                | 2                      | 0                  | 39    | 44                      |
| Selce               | 1                | 2                      | 0                  | 6     | 9                       |
| Lakavica            | 15               | 1                      | 0                  | 29    | 45                      |
| Suvo Grlo           | 0                | 0                      | 0                  | 8     | 8                       |
| Gorachino           | 0                | 0                      | 0                  | 2     | 2                       |
| Leskovica           | 21               | 4                      | 3                  | 40    | 68                      |
| Novo Selo           | 3                | 2                      | 0                  | 19    | 24                      |
| Brest               | 8                | 0                      | 0                  | 6     | 14                      |
| Radovish von grad   | 41               | 16                     | 0                  | 22    | 79                      |
| Prnalija            | 2                | 4                      | 0                  | 14    | 20                      |
| Injevo              | 12               | 7                      | 0                  | 13    | 32                      |
| Topolnica           | 8                | 1                      | 0                  | 26    | 35                      |
| Damjan              | 92               | 12                     | 0                  | 72    | 176                     |
| Total               | 207              | 51                     | 3                  | 317   | 578                     |

Vast number of parcels of private land that will be acquired for this project is owned by private individuals. There are only 2 (two) legal entities that will lose land with this project, and total of 303 people (private individuals). Following table presents the figures on the number of owners per cadastral municipality.

Table 4 Overview of the private owners, by Cadastral Municipality

| Number of owners    | Private<br>Individuals | Legal<br>Entities |
|---------------------|------------------------|-------------------|
| Sofilari            | 0                      | 1                 |
| Novo Selo - Shtip 3 | 0                      | 0                 |
| Dragoevo            | 0                      | 0                 |
| Dolani              | 5                      | 0                 |
| Selce               | 7                      | 0                 |
| Lakavica            | 17                     | 0                 |
| Suvo Grlo           | 0                      | 0                 |
| Gorachino           | 0                      | 0                 |
| Leskovica           | 24                     | 0                 |
| Novo Selo           | 10                     | 0                 |
| Brest               | 2                      | 0                 |
| Radovish von grad   | 97                     | 1                 |
| Prnalija            | 9                      | 0                 |
| Injevo              | 32                     | 0                 |
| Topolnica           | 8                      | 0                 |
| Damjan              | 92                     | 0                 |
| Total               | 303                    | 2                 |

Most of the private parcels (171=56%) belongs to owners who are residing in the urban settlements Shtip or Radovish. Some 40% of these parcels are in the Cadastral Municipality Radovish von grad, followed by 28% in Damjan and 10% in Leskovica.

In total, some 69% of the total number of parcels have owners that live in urban areas. The remaining owners of 31% (92 parcels) live in the rural areas along the project area (88 parcels) or other rural areas nationwide (4 parcels).

Cadastral municipality of Radovish von grad holds 32 % of the parcels that are to be affected with this project, followed by the Cadastral municipality of Damjan with 30% of the total number of parcels affected with this RAP.

| Table 5 Overview o  | f the location o  | of residence of private  | owners, by and Ownership     |
|---------------------|-------------------|--------------------------|------------------------------|
| TUDIC 3 CVCTVICVI O | , this rocation t | i i coluctice of private | Ovviicis, by and Ovviicising |

| Location of residence of the land owners | Shtip -<br>Radovish | Urban<br>elsewhere | Rural-<br>Project<br>footprint | Rural<br>elswhere | Abroad | Total No. of<br>Parcels |
|--|---------------------|--------------------|--------------------------------|-------------------|--------|-------------------------|
| Sofilari                                 | 1                   | 0                  | 0                              | 0                 | 0      | 1                       |
| Novo Selo - Shtip 3                      | 0                   | 0                  | 0                              | 0                 | 0      | 0                       |
| Dragoevo                                 | 0                   | 0                  | 0                              | 0                 | 0      | 0                       |
| Dolani                                   | 2                   | 2                  | 1                              | 0                 | 0      | 5                       |
| Selce                                    | 5                   | 0                  | 2                              | 0                 | 0      | 7                       |
| Lakavica                                 | 7                   | 5                  | 4                              | 1                 | 0      | 17                      |
| Suvo Grlo                                | 0                   | 0                  | 0                              | 0                 | 0      | 0                       |
| Gorachino                                | 0                   | 0                  | 0                              | 0                 | 0      | 0                       |
| Leskovica                                | 17                  | 2                  | 5                              | 0                 | 0      | 24                      |
| Novo Selo                                | 8                   | 0                  | 2                              | 0                 | 0      | 10                      |
| Brest                                    | 2                   | 0                  | 0                              | 0                 | 0      | 2                       |
| Radovish von grad                        | 68                  | 24                 | 3                              | 1                 | 2      | 98                      |
| Prnalija                                 | 6                   | 0                  | 3                              | 0                 | 0      | 9                       |
| Injevo                                   | 4                   | 0                  | 28                             | 0                 | 0      | 32                      |
| Topolnica                                | 3                   | 0                  | 5                              | 0                 | 0      | 8                       |
| Damjan                                   | 48                  | 7                  | 35                             | 2                 | 0      | 92                      |
| Total                                    | 171                 | 40                 | 88                             | 4                 | 2      | 305                     |

## 3.4. Analysis of Alternatives

Several alternatives to the proposed Project route were considered during its development, as summarised below:

- Route Concept Motorway (Original Proposal) or Expressway (Current Project): The original
  proposal for this part of the A4 was a Motorway, but it became apparent that projected traffic flows
  did not warrant a Motorway, so an Expressway was proposed.
- Alternative Alignments between Tri Cesmi Interchange and Shtip South Interchange: An alternative
  alignment was considered for the section between Tri Cesmi and the Shtip South Interchange (see
  Figure 2), which took the road through a stretch of potentially sensitive grasslands (halophytic
  steppe-like), which are a protected habitat under the EU Habitats Directive. The alternative was not
  pursued.
- Alternative Alignments at 'New Damjan' Village: One proposed alignment followed the existing road
  alignment directly through New Damjan village. However, this severs the two sides of the village, and
  passes a number of residences situated close to the road. The adopted Project route, avoids the
  demolition of residential structures, resettlement of households and disturbance/safety issues, by
  taking a curved bypass through agricultural areas to the north.
- Alternative Alignments between Buchim Junction and Radovish Junction: An alignment was
  considered which takes the road significantly to the south of the existing road between New Damjan
  Village and Radovish. The alignment passes near the village of Injevo, and crosses mostly through
  agricultural lands. It was never considered in detail this alternative due to the impact on and cost of
  expropriation of agricultural land.

- Interchange/Junction at Topolnica: A new junction was considered to allow access to the village of Topolnica. However, this is not part of the current design. This new junction would require some agricultural lands. A parallel local access road along the entire northern side of Section V between Interchange Bucim and Radovish has been included in the design, along with a short parallel access road from the local Damjan road on the south side of the Expressway. The provision of these new local access roads will enable residents of local villages, including Damjan and Topolnica, to access the Expressway and provide an alternative routing for agricultural vehicles/uses and non-Expressway vehicles etc. Without the junction, the additional distance for residences of the Topolnica village to access the main Expressway will be around 3 km (via Interchange Injevo), and 5 km (via Interchange Buchim).
- Environmental and Social Effects of Alternatives: The proposed scheme does not cause more significant environmental and social effects than the other route alternatives considered. The proposed scheme provides probably better access to local lands and villages, especially in the Buchim to Radovish section with the additional local parallel roads.

#### 4. Project Impacts

#### 4.1. Summary of Project Impacts

#### 4.1.1. Project Land Requirements

Permanent land acquisition will be required for the construction of the Expressway, including junctions, associated structures and access/local road modifications & construction (which fall within the remit of the Project scope), etc.

The Expressway will comprise of two 3.5 m wide traffic lanes plus 2.2m wide hard shoulders, making an approximate total pavement width of 11.4 m. Land take will also be required for verges and necessary earthworks. For 20 km of the widening for Sections I, II & V of the existing road only an additional 4.4 m strip of land for the widened pavement will be required plus any land for the parallel access roads (i.e. Section V) and earthworks modifications. For the new aligned Expressway in Sections III & IV land will be required for the full 11.4 m pavement width plus the verges and the earthworks.

An area for the disposal of spoil (i.e. excess excavated fill material) has been identified along the route which is within State-owned land.

In accordance with **the Law on Public Roads** a 40 m safety buffer zone on each side of the Expressway will be established called a 'Shelter Belt or 'Road Reserve' which will be subject to some restrictions during the operational phase of the Expressway. Owners of land in the road reserve will have to request permission from PESR for the construction of new structures and for existing structures to remain in the road reserve. Existing structures within the safety zone road reserve will be able to remain.

The Project will also require some temporary land take for haulage/construction routes, construction laydown areas and camps, temporary storage of excavated materials/soil, cut trees etc. However, information and details regarding temporary land take were not known at the time of developing of this RAP and will be included later in the monitoring reports of the implementation of RAP. Agreements for additional temporary land required by the Contractor will, agreed through negotiation and amicable agreement by land owners.

The Project land take requirements affect plots of State and privately-owned land and assets. There are no informal land users to be affected with this project.

## 4.1.2. Economic & Physical Displacement Impacts

During the route planning and design of the Project land acquisition requirements were a key consideration. In the selection of which side to undertake the widening on (Section I, II & V) and develop the new Expressway alignment in Sections III & IV consideration was given regarding land use effects. In Sections III & IV most of the small-scale farming in strips under current use is on the other side of the existing A4 road, therefore to a degree economic displacement has been minimised. Also, by choosing to realign the Expressway in Sections III and IV rather than widening impacts on the residential properties alongside the existing A4 road (i.e. in the settlements of Lakavica and Damjan) have been avoided along with improving the quality of life and community safety in these communities by the Expressway bypassing these settlements. Therefore, physical displacement of households has been avoided.

|   | f Physical & Economic Displacement Impacts   |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|--|
|   | Summary of Losses/Impacts  |  |  |  |  |  |  |  |
| Loss  |  |  |  |  |  |  |  |  |
| PRE-CONSTRUCTION - Prior to Construction <sup>2</sup> |  |  |  |  |  |  |  |  |
| Permanent Land  | Loss of land (mainly agricultural, forest and/or pasture land, low number  |  |  |  |  |  |  |  |
| Take  | of vineyards, orchards & some construction land - mainly roads): The Project will result in the loss of land, predominantly agricultural (some inuse and mainly abandoned) and pasture/grassland areas with some forestry areas and pockets of small-scale cropping (e.g. tobacco etc.) and vineyards and orchards also being affected. The land is split between private and State ownership. The land take involves a strip of land along the existing road for the widened sections and the full construction width of the Expressway for the new alignment sections (Sections III & IV). |  |  |  |  |  |  |  |
|   | Loss of annual/perennial crops (e.g. tobacco) and trees, including vines and trees within orchard (e.g. sweet almond trees).   |  |  |  |  |  |  |  |
|   | Loss of Business Structures: There is only one structure used by Telekom that will be physically affected by the Project   |  |  |  |  |  |  |  |
|   | • Loss of sources of income and/or livelihoods associated with any of the above losses and particularly 'Agricultural' Livelihoods: Some of the households in the local villages are somewhat dependent on land-based livelihood activities and are affected by loss of land or access to land they use.   |  |  |  |  |  |  |  |
|   | • Orphan Land: (i.e. part of an affected land plot which remains after expropriation and for which the owner has no more economic interest in using and/or is an economically unviable plot). Orphan land is often a small part of land that remains after expropriation of land which is split by the construction of the road into two or more economically unviable plots etc.  |  |  |  |  |  |  |  |

<sup>&</sup>lt;sup>2</sup> As payment of compensation for losses and resettlement has to occur prior to access to land being taken the effect of permanent loss of land and assets generally occurs in the Pre-Construction phase.

| Phase/Type of Loss    | Summary of Losses/Impacts  |
|-----------------------|--|
|                       | During the litigation process the existence of orphan land will be determined.   |
| DURING CONSTR         | UCTION:  |
| Temporary<br>Effects: | Loss of land (mainly agricultural, forest and/or pasture land, low number of vineyards, orchards & some construction land - mainly roads) — potentially required during the construction period.   |
|                       | Loss/damage to annual/perennial crops (e.g. tobacco etc.) and trees, including vines and trees within orchard (e.g. sweet almond trees).   |
|                       | Damage/temporary disruptions to certain agricultural infrastructure (e.g. irrigation).   |
|                       | Temporary loss of and/or more difficult access to land for farming or other livelihood related land uses and disturbance to agricultural vehicles/livestock etc. using existing A4 and other existing routes to land etc.:   |
|                       | The Works for the new Expressway will during construction result in<br>localised access effects and could if not properly managed result in<br>severance of communities from areas of their productive land (or access<br>to services in Shtip and Radovish). Retaining access to agricultural land<br>and for agricultural vehicles & livestock movements etc. for the local<br>villages is considered essential.   |
|                       | The Contractor will be required to have a good Traffic Management Plan<br>supported with effective engagement with the local community and the<br>careful sequencing of the works to ensure either the existing road is<br>accessible, or the local new parallel roads are available to ensure access<br>is retained at all times. Assuming these measures are implemented no<br>significant residual effects are anticipated during construction<br>withstanding there may be a slight increase in journey length for some<br>of the local communities. |
|                       | • Temporary loss of and/or more difficult access to commercial facilities or for businesses: There are many commercial businesses along the route including a reasonably large winery and associated vineyards. Retaining access during construction will be essential to ensure effects on these businesses are minimised. The Contractor's Traffic Management Plan along with engagement with the businesses along the route should minimise effects on access during construction.  |
|                       | Loss of sources of income and/or livelihoods associated with any of the above losses and particularly 'Agricultural' Livelihoods and disruption to businesses.   |

A summarised table of the data of Project related losses is listed below.

Table 7 Summarized Data of Project Related Losses

| No.           | Impact   | Unit      | Quantity  |
|---------------|--|-----------|-----------|
| Land Loss     |  | -         |           |
| 1             | Total parcels affected                         | No.       | 578       |
| 2             | Total area of land to be acquired              | sqm. (m²) | 1,586,139 |
| 3             | Active parcels to be affected                  | No.       | 382       |
| 4             | Active area of land to be acquired             | sqm. (m²) | 515,754   |
| 5             | Private parcels affected                       | No.       | 261       |
| 6             | Private area of land to be acquired            | sqm. (m²) | 225,074   |
| 7             | State-owned parcels affected                   | No.       | 317       |
| 8             | State-owned area of land to be acquired        | sqm. (m²) | 1,361,065 |
| 9             | Number of private owners losing land           | No.       | 291       |
| Tree Loss     |  |           |           |
| 10            | Total fruit trees to be acquired               | No.       | 440       |
| 11            | Total Oak tree mass                            | m³        | 49.5      |
| 12            | Total number of Vines                          | No.       | 9,898     |
| 13            | Total number of trees to be acquired           | No.       | 459       |
| 14            | Total number of Pumpkin trees                  | No.       | 12.000    |
| Affected Str  | uctures  |           |           |
| 15            | Total number of affected structures            | No.       | 1         |
| 16            | Total area of objects/buildings to be acquired | sqm. (m²) | 48        |
| Affected Info | ormal users                                    |           |           |
| 17            | Total number of affected Informal users        | No.       | 0         |

## 4.2. Methodology for acquiring relevant information

The Main Project design has been comprised and mainly relies on a data obtained from the Agency for Real Estate Cadastre, an governmental institution whose responsibilities among others, and relevant to this project, are: establishment and management of geodetic-cadastre information system, performance of basic geodetic works, real estate survey, registration of real estate rights, establishment and maintenance of real estate cadastre, production of state topographic maps, administration of a Spatial Units Register and other activities.

To adequately collect information pertaining to the project area, dominantly quantitative methods were used. The methodology includes:

- Identification of affected parcels
- Census survey of affected PAP
- Valuation of assets by independent authorised valuation experts (Real estate, other affected property and Crops)
- Socio-economic survey (Section 5, below)
- Analysis of gathered data, Data check.

#### 4.2.1. Identification of affected parcels

A professional independent geodetic survey has been conducted for this project and it was completed in late June 2014. Outcome of this geodetic survey was The Expropriation Elaborate, completed and submitted to PESR in October 2014. The geodetic survey gives the exact figures and amount of land take for the need of the road and the construction waste landfills. In preparation of the land scheme an updated geodetic basis was used, as well as a list of indications of all cadastral parcels on the site through which road alignment and construction waste landfills passes.

Data gathered from the Cadastral office about affected parcels (number, category, type of land), were verified by the project designers at the planning stage, as well as the RAP team before completion of this document. Also, several visits were made by the designers to examine the availability of the planned land and the level of its use by the local population.

Both landfills were carefully planned to be located on currently unused and state-owned land.

For accurate understanding of the affected area and check on the site, site visits have been conducted along the alignment by the RAP and designer teams. Extensive visits were organized in 2016 and lesser in 2017.

All objects were physically and visually inspected from the outer side to check whether there is someone living in it. Fields and parcels on alignment were visually checked by the RAP team.

## 4.2.2. Identification of Affected Land Users

Information on parcels that are to be acquired for this project has been provided from the official cadastre office, Agency for Real Estate Cadastre of Republic of Macedonia

Initially, data from the Cadastral office comes with the name of the owners. These data were checked by RAP team and compared with the relevant data gathered from the meetings with the affected landowners or the socio-economic survey conducted in this regard. Contact information left in the questionnaires, or meeting's Attendance Lists served as starting point for field check. RAP team made several site visits to the whole area. Additional visit (12/10/2017) was made to affected properties to determine whether there are residents living in them, as registered by the Expropriation Elaborate.

Land owners losing property under the process of Expropriation were also identified during the Socio-economic research.

#### 4.2.3. Analysis of Gathered Data

Gathered data, both from land value assessment and crops value assessment has been merged and compared. Some of the ownership data were checked on the Cadastre website, since it was necessary to determine whether some land owners who will lose major part of parcels possess other land elsewhere, or they just rely on the land that is to be acquired for the purpose of the project. This approach helped in determination of initial vulnerability of the land owners.

#### 4.3. Identified Impacts

## 4.3.1. Type and Classification of Affected Land in Macedonia

A land that is, and can be utilized for any kind of agricultural, forestry and other production has been registered as a Cadastre culture.

According the method of land use, the land is classified as:

- 1) Fertile land
- 2) Infertile land
- 3) Land under water

**Fertile land** is classified as: fields, field under plastic greenhouse, fields under ancillary facilities, fields under a construction/object for primary processing of agricultural products, rice fields, gardens, orchards, vineyards, meadows, pastures, forests, and giant reeds and marshlands.

**Infertile land** is classified as: **naturally infertile land** and **artificially infertile land**. Naturally infertile land includes: valleys, stony fields, beaches and other naturally infertile land. The artificially infertile land is the one for which an urban plan or urban planning documentation has been enacted. As an artificially infertile land is considered:

- 1) Urban non-constructed land (UNCL)
- 2) Urban constructed land (UCL): Land under object (LUO).

**Fertile lands (FL)** are classified into eight cadastre classes, for each cadastre land use. For each cadastre land use, the most fertile land is classified into first class, the land which is slightly less fertile is classified into second class and is successively downgraded to the eight (cadastral) class. **Infertile land (IL)** and land under water is not classified into cadastral classes. Reference/indication lands is determined by the Agency for Real Estate Cadastre (AREC).

When determining the land use for orchard, vineyard and forest, their age and density is not taken into consideration.

Land covered with forest trees, as well as land covered with shrubs, juniper, maquis, hawthorn and the like, as well as with degraded forests is considered forest land and is classified as forest land use. Certain trees planted widely, i.e. solitary trees, is not considered as special land use areas, but are classified in the land use of the parcel in which they are located.

The following cadastral (culture) lands were registered during the geodetic and agricultural surveys conducted for this project.

• A **field:** agricultural land, on which, dissimilar/different types of crops are grown in sequential seasons (crop rotation), including: wheat, barley, oats, rye, corn, potatoes, alfalfa, clover, fodder

beet, poppy, cotton, linen, hemp, tobacco, sugar beet, oilseed rapeseed, sesame, sunflower, chickpeas, lentils, etc. and are processed at least once every 5 years, as well as orchards, vineyards and forest nurseries, cultivated willow thickets for collecting rods, strawberry orchards, nurseries of mulberry used for breeding silkworm, hops etc.;

- A garden: agricultural land used for cultivating vegetables: tomatoes, peppers, cabbage, leeks, onions, carrots, parsley, green beans, as well as land planted with flowers and ornamental plants used for sale, ornamental plants nurseries and others, and for whose cultivation it is necessary to maintain conditions for irrigation (natural or artificial);
- An orchard: agricultural land used for cultivating fruit, olive groves, orchards of raspberry, blackberry, and different types of nuts from which dried seeds are obtained;
- A vineyard: agricultural land which is used for cultivating grapevines, grafted or self-grown;
- A meadow: agricultural land on which grass grows naturally, which is mowed regularly;
- A pasture agricultural land on which grass grows naturally and serves exclusively for grazing livestock;
- A forest: land covered with forest trees that are grown for the purpose of using timber.

Regarding **ownership status** the affected land can be divided in three categories:

- 1) Land owned by Private Individuals: single owner and multiple owners; and
- 2) Land owned by the Government of Republic of Macedonia
- 3) Land with mixed ownership (governmental and private land)

The land that is owned by private individuals must be compensated during the process of expropriation. The land owned by the government does not need to be paid when acquired, due to the ownership status of the PESR where Government of Republic of Macedonia is the owner of this land.

#### 4.3.2. Impact on Land

The area where the express road passes is dominantly abandoned, though there are parts which are highly active and are used for agricultural production.

Detailed data on quantities of land (number of parcels and affected area) that will be expropriated is presented above in Table 2.

#### 4.3.3. Impact on Crops

The crops valuation team, comprised of two licensed assessors, both agricultural engineers, conducted the assessment of standing crops. The assessment resulted with the figures presented in the following table.

Table 8 Summary of data on Crops, land ownership status, number of parcels and area

| Crops\Type of land | Private in | dividuals | Republic of | Macedonia | TOTAL     |        |  |
|--------------------|------------|-----------|-------------|-----------|-----------|--------|--|
| owned by:          | Number of  | Area      | Number of   | Area      | Number of | Area   |  |
| owned by.          | Parcels    | (m2)      | Parcels     | (m2)      | Parcels   | (m2)   |  |
| Wheat              | 82         | 82117     | 41          | 166402    | 123       | 248519 |  |
| Meadow             | 116        | 95445     | 46          | 31637     | 162       | 127082 |  |
| Vineyard           | 24         | 14927     | 13          | 27703     | 37        | 42630  |  |
| Tobbaco            | 16         | 12746     | 5           | 6644      | 21        | 19390  |  |
| Orchards           | 4          | 3555      | 15          | 38854     | 19        | 42409  |  |
| Pumkin             | 1          | 924       | 1           | 11891     | 2         | 12815  |  |
| Clover             | 2          | 1638      | 1           | 2341      | 3         | 3979   |  |
| Subflower          | 0          | 0         | 1           | 5237      | 1         | 5237   |  |
| Forest             | 14         | 13693     | 0           | 0         | 14        | 13693  |  |
| TOTAL              | 259        | 225045    | 123         | 290709    | 382       | 515754 |  |

More details on affected land and crops by this project can be found in Annex 7.

#### 4.3.4. Impact on Trees

The tree mass that will be acquired with the process of expropriation is listed in the table below. In general, there will be no high rate tree loss during the construction of this project. The biggest tree loss will occur in the cadastral municipality of Prnalija where a state-owned orchard with almond trees planted will be affected.

Another orchard's tree loss will occur on private land to be expropriated. Namely, in Damjan cadastral municipality some 100 apricot trees will be removed.

It is worth to note that the almond trees haven't been treated properly for years. Their production capacity has fallen under the average production that would occur on this soil in normal circumstances. Though their production is lower than average, the compensation is made in current market prices, without depreciation or degradation of productivity. For all trees the compensation will be made in current market prices, without depreciation or degradation of productivity.

Table 9 Summary of affected standing trees and plants

| ,,                | -, -,,  |          |       |      | 1              |        |        |       |          |       |                    |
|-------------------|---------|----------|-------|------|----------------|--------|--------|-------|----------|-------|--------------------|
| Fruit Trees       | Wallnut | Appricot | Apple | Pear | Cherry<br>Plum | Cherry | Almond | Total | Oak (m3) | Vines | Pumpkin<br>(roots) |
| Dragoevo          | 0       | 0        | 0     | 11   | 27             | 0      | 0      | 38    | 0        | 0     | 0                  |
| Dolani            | 0       | 0        | 0     | 0    | 0              | 0      | 0      | 0     | 0        | 0     | 12000              |
| Selce             | 0       | 0        | 0     | 0    | 0              | 0      | 0      | 0     | 0,5      | 0     | 0                  |
| Lakavica          | 0       | 0        | 0     | 0    | 0              | 10     | 0      | 10    | 0        | 220   | 0                  |
| Leskovica         | 0       | 0        | 0     | 0    | 25             | 0      | 0      | 25    | 49       | 150   | 0                  |
| Radovish von grad | 2       | 0        | 5     | 2    | 0              | 0      | 0      | 9     | 0        | 770   | 0                  |
| Prnalija          | 0       | 0        | 0     | 0    | 0              | 0      | 199    | 199   | 0        | 0     | 0                  |
| Injevo            | 0       | 0        | 0     | 0    | 0              | 0      | 0      | 0     | 0        | 600   | 0                  |
| Topolnica         | 0       | 0        | 0     | 0    | 0              | 0      | 0      | 0     | 0        | 4260  | 0                  |
| Damjan            | 12      | 147      | 0     | 0    | 0              | 0      | 0      | 159   | 0        | 2989  | 0                  |
| Total             | 14      | 147      | 5     | 13   | 52             | 10     | 199    | 440   | 49,5     | 8989  | 12000              |

Regarding the assessment of oak trees, the assessors conducted assessment on grown oak trees, and the results of it is listed in the middle-right column of the table above. The valuation price for this type of assessment is listed in the subchapter dealing with valuation and compensation.

During the assessment (cut-off date, 19.07.2016), some 12000 pumpkin roots has been registered on a field owned by the state. During the process of information gathering it was not possible to determine who planted and how long these roots were utilized.

Table 10 shows only the part of the tree mass that is found on the state-owned land.

Table 10 Summary of affected fruit trees on a state-owned land

| Fruit Trees | Appricot | Pear | Cherry<br>Plum<br>(15Years) | Cherry<br>Plum<br>(10Years) | Cherry<br>(4years) | Almond | Total | Pumpkin<br>(roots) |
|-------------|----------|------|-----------------------------|-----------------------------|--------------------|--------|-------|--------------------|
| Dragoevo    | 0        | 11   | 12                          | 15                          | 0                  | 0      | 38    | 0                  |
| Dolani      | 0        | 0    | 0                           | 0                           | 0                  | 0      | 0     | 12000              |
| Lakavica    | 0        | 0    | 0                           | 0                           | 10                 | 0      | 10    | 0                  |
| Leskovica   | 0        | 0    | 25                          | 0                           | 0                  | 0      | 25    | 0                  |
| Prnalija    | 0        | 0    | 0                           | 0                           | 0                  | 199    | 199   | 0                  |
| Damjan      | 47       | 0    | 0                           | 0                           | 0                  | 0      | 47    | 0                  |
| Total:      | 47       | 11   | 37                          | 15                          | 10                 | 199    | 319   | 12000              |

The project footprint transverses some parcels with vines. There are 14 affected state-owned vineyards with 28,253 m² directly affected land, and 4,630 vines. Some 10 of these state-owned vineyards all located in Topolnica will lose land in total of 24,146m², with 3,870 vines. The number of parcels (vineyards) which are in private possession is 24, and it the loss of vines will be 14,927m² and 4,359 vines. Total number of vineyard parcels that are to be affected is 38, with total affected area of 43,180m². Topolnica is the most affected cadastral municipality with 14 parcels and 25,647m² of vineyard to be acquired with 4,280 vines. Hence, the cadastral municipality of Damjan experience the biggest loses of 8,554 m² land from 10 private vineyards and 2,644 vines. Detailed information on loss of vineyards is presented in the following table, summarizing the affected area of vineyards together with types of impacted vines.

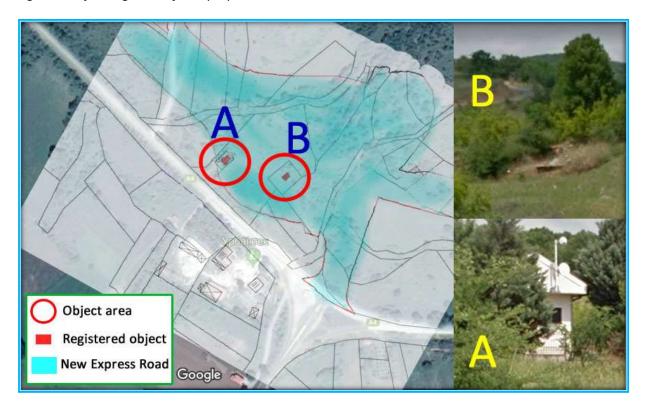
Table 11 Summary of affected vines

| Vineyard / Types of Vines          | Vranec<br>(50) | Free<br>settled<br>(15) | Vranec on<br>espalier<br>(70) | Vranec on<br>espalier<br>(50) | Vranec on<br>espalier<br>(40) | Smederev<br>ka Espalier<br>(70) | Espalier<br>(50) | Espalier<br>(20) | Vranec<br>(70) | Total<br>Number of<br>Parcels |
|------------------------------------|----------------|-------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|------------------|------------------|----------------|-------------------------------|
| Leskovica                          | 0              | 1                       | 0                             | 0                             | 0                             | 0                               | 0                | 0                | 0              | 1                             |
| Lakavica                           | 0              | 1                       | 0                             | 0                             | 0                             | 0                               | 0                | 0                | 0              | 1                             |
| Radovish von grad                  | 0              | 0                       | 3                             | 5                             | 0                             | 0                               | 0                | 0                | 0              | 8                             |
| Injevo                             | 0              | 0                       | 2                             | 0                             | 1                             | 0                               | 0                | 0                | 0              | 3                             |
| Topolnica                          | 0              | 0                       | 10                            | 3                             | 0                             | 1                               | 0                | 0                | 0              | 14                            |
| Damjan                             | 1              | 2                       | 4                             | 0                             | 1                             | 0                               | 1                | 1                | 1              | 11                            |
| Total                              | 1              | 4                       | 19                            | 8                             | 2                             | 1                               | 1                | 1                | 1              | 38                            |
| Vineyard / Area under Vine<br>(m2) | Vranec<br>(50) | Free<br>settled<br>(15) | Vranec on<br>espalier<br>(70) | Vranec on<br>espalier<br>(50) | Vranec on<br>espalier<br>(40) | Smederev<br>ka Espalier<br>(70) | Espalier<br>(50) | Espalier<br>(20) | Vranec<br>(70) | Total area                    |
| Leskovica                          | 0              | 1042                    | 0                             | 0                             | 0                             | 0                               | 0                | 0                | 0              | 1042                          |
| Lakavica                           | 0              | 550                     | 0                             | 0                             | 0                             | 0                               | 0                | 0                | 0              | 550                           |
| Radovish von grad                  | 0              | 0                       | 2415                          | 801                           | 0                             | 0                               | 0                | 0                | 0              | 3216                          |
| Injevo                             | 0              | 0                       | 1299                          | 0                             | 864                           | 0                               | 0                | 0                | 0              | 2163                          |
| Topolnica                          | 0              | 0                       | 24146                         | 1090                          | 0                             | 411                             | 0                | 0                | 0              | 25647                         |
| Damjan                             | 733            | 596                     | 5337                          | 0                             | 1954                          | 0                               | 478              | 978              | 486            | 10562                         |
| Total                              | 733            | 2188                    | 33197                         | 1891                          | 2818                          | 411                             | 478              | 978              | 486            | 43180                         |
| Vineyard / Number of vines         | Vranec<br>(50) | Free setl<br>(15)       | Vranec on<br>espalier<br>(70) | Vranec on<br>espalier<br>(50) | Vranec on<br>espalier<br>(40) | Smederev<br>ka Espalier<br>(70) | Espalier<br>(50) | Espalier<br>(20) | Vranec<br>(70) | Total<br>number of<br>vines   |
| Leskovica                          | 0              | 150                     | 0                             | 0                             | 0                             | 0                               | 0                | 0                | 0              | 150                           |
| Lakavica                           | 0              | 220                     | 0                             | 0                             | 0                             | 0                               | 0                | 0                | 0              | 220                           |
| Radovish von grad                  | 0              | 0                       | 645                           | 125                           | 0                             | 0                               | 0                | 0                | 0              | 770                           |
| Injevo                             | 0              | 0                       | 400                           | 0                             | 200                           | 0                               | 0                | 0                | 0              | 600                           |
| Topolnica                          | 0              | 0                       | 3870                          | 200                           | 0                             | 190                             | 0                | 0                | 0              | 4260                          |
| Damjan                             | 504            | 100                     | 1665                          | 0                             | 300                           | 0                               | 50               | 50               | 320            | 2989                          |
| Total                              | 504            | 470                     | 6580                          | 325                           | 500                           | 190                             | 50               | 50               | 320            | 8989                          |

#### 4.3.5. Impact on Buildings / Structures

The map bellow shows the junction of access road of new express road with the existing magistral road. Two structures are registered in the Expropriation elaborate for acquiring. The object A (see figure below) servs as a telecommunication service object and it belongs to the telecommunication commpany Telekom. The object B is ruined, whose single visible structure is fundament, the basis of the Object. This (B) object was registered as a state property and its previous use is unknown.

Figure 6 Object registered for expropriation



(Source:Google)

## 4.4. Impact on People and Publicly-owned Property Resources

No people are to be resettled with the construction activities related to this project.

There is no direct impact on the registered business in the area. There is limited impact on livelihood, but this refers mainly to those growing grapes and lesser to couple of owners growing tobacco. All affected individuals whose livelihood has been affected do not rely solely on the income from agricultural activities but has other incomes in the family from employment or pension.

No lease on the affected land has been identified, governmentally owned nor privately owned parcels. For the state-owned land, the Ministry of agriculture, forestry and water economy confirms that on the proposed alignment there is no lease of state-owned land.

There are no publicly-owned property resources or facilities affected with land acquisition process.

#### 5. Socio-economic Assessment

#### 5.1. Methodological notes

The assessment included questionnaire to the project population (Annex 4), with the aim to identify characteristics of the land owners, PAPs household, Livelihood provision in the household, and questions that could initially identify social vulnerability at PAP.

The socio-economic assessment was conducted in the period 01-15 December 2017, after inventory that provides basic information on affected land plots (i.e. total area and area to be acquired, land use & land category etc.) and all assets located on it (e.g. structures, crops, trees, orchards, businesses etc.) was completed.

The methodology for selection of sample and the number of interviewees was based on the data from the Land and Crops surveys. After detailed review of the assessed value of the compensation for lost land, it was noted that some 86 parcels (with 112 owners) will receive compensation that passes over the amount of average monthly salary<sup>3</sup> in the country. Only 28 of these 86 parcels will be compensated for holding crops and/or trees in total amount that reaches 50% and more of the average salary in the country. Just 14 parcels (of 28) will be compensated for holding crops and/or trees in total value that is passing the average salary in the country.

To the number of 86 affected parcels (86 users were identified among the all 112 owners), we added 10% of the total number of (305) owners, just to avoid potential statistical error. That in total comprises sample of 116 interviews. As it is normal for social researches, there were some 11 owners of those 30 did not respond to the survey. They were either not accessible (some moved abroad), or just not willing to participate, or share data with unknown persons (interviewers). This number was also compensated with other affected owners, randomly chosen.

Interviews were held in private, mainly in their homes, and some were held in public locations, on request of the interviewees. Two very experienced interviewers, both sociologists, were surveying the targeted sample of PAPs. The findings of socioeconomic study conducted with involvement of the potentially displaced people are presented below.

## 5.2. Demographic Characteristics of Affected Population

Socio-economic survey conducted on the project affected people included 116 interviewees. Some 90 live in the urban settlements of the project area Shtip (55) and Radovish (35), whilst 24 people (12 Topolnia, 10 Damjan, 2 Injevo) live in the rural parts of the project footprint. One owner, using his winter vacation was present at the census, but has been living full-time for the past 8 years in Austria with his family. Another owner responded in place of her mother and she lives in other urban settlement Negotino, but she is supposed to inherit the affected property from her mother.

<sup>&</sup>lt;sup>3</sup> November 2017 = 23.196,00 MKD (Equivalent of 376EUR, or 445USD, or 333GBP)

The following figure gives overview of the share of location of residence of the interviewees. It is quite evident that the majority of the interviewees live in the closest urban settlement (Shtip or Radovish).

Figure 7 Share of location of residence



In total, 114 of the interviewees were male and just two females (1 Topolnica, 1 Negotino). In the rural part of the Project area, there were total 23 men interviewed, whilst in urban part of the Project area this number was 90.

The age group 55-64 has the highest number of interviewed PAPs. Some 35 PAPs of this age group are living in Urban settlements, whilst 11 PAPs are living in the Rural settlements. Vast of the respondents were older than 45 years. Both age groups 45-54 and 65+ years of life reserves 24% each, of the total number of respondents. All these three age groups hold more than 88%, all together. The following table describes the share each age group has in the total number of interviewed PAP.

Table 12 Number of respondents by location of residence and age

| Location of residece divided by Age Groups | 15-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | No<br>answer | Total |
|--|-------|-------|-------|-------|-------|-----|--------------|-------|
| Rural part of the Project area             | 0     | 0     | 1     | 1     | 11    | 7   | 1            | 24    |
| Rufai part of the Project area             | U     | U     | 1     | 4     | 11    | ,   |              | 24    |
| Urban part of the Project area             | 1     | 1     | 6     | 23    | 35    | 21  | 3            | 90    |
| Abroad                                     | 0     | 0     | 0     | 1     | 0     | 0   | 0            | 1     |
| Other Urban Settlements                    | 0     | 0     | 1     | 0     | 0     | 0   | 0            | 1     |
| Total                                      | 1     | 1     | 8     | 28    | 46    | 28  | 4            | 116   |

The respondents of the socio-economic survey are of four different ethnic origins. Exactly 96 people (83 from the urban and 11 from rural settlements, as well as other two living outside the project area) declare themselves as Macedonians. Only 16 people were of Turkish ethnic origin, one of Roma and two Serbians. PAPs of Turkish ethnic origin are living in the rural settlement Topolnica, whilst the other four are living in Shtip and Radovish (2 in both towns). PAPs of Macedonian ethnic origin are living dominantly in the urban settlements in the project area, except 11 people that are living in the rural settlements of the project area. The remaining people live in the urban settlements, except the one that didn't declare his ethnic origin, who is living in rural settlement.

The following figure presents the of ethnic origin among the respondents of the socio-economic survey.

Figure 8 Ethnic origin of interviewed PAPs



Similar distribution to the data of ethnic origin are the data of belonging to a confession. All PAPs of Turkish ethnic origin belong to Muslim faith.

Table 13 Religious identification of the Respondents

| Faith                          | Orthodox<br>Christian | Muslim | No<br>answer | Total |
|--------------------------------|-----------------------|--------|--------------|-------|
| Rural part of the Project area | 11                    | 12     | 1            | 24    |
| Urban part of the Project area | 84                    | 4      | 2            | 90    |
| Abroad                         | 1                     | 0      | 0            | 1     |
| Other Urban Settlements        | 1                     | 0      | 0            | 1     |
| Total                          | 97                    | 16     | 3            | 116   |

Regarding the educational background of the PAPs there is a relative diversity, though patterns of concertation are visible. PAPs living in the rural settlements mostly have primary education, while this is not the case for those living in urban areas whereas some three quarters have completed high school.

The following table gives overview of the state of completed education by the interviewed PAPs.

Table 14 Completed Education of interviewed PAPs

| ·                              |           |         |        |         |          |        |       |
|--------------------------------|-----------|---------|--------|---------|----------|--------|-------|
| Completed Education            | Without   | Primary | High   |         | Undergra | No     | Total |
|                                | Education | School  | School | College | duate    | answer | 1000  |
| Rural part of the Project area | 1         | 20      | 2      | 0       | 0        | 1      | 24    |
| Urban part of the Project area | 0         | 14      | 67     | 1       | 3        | 5      | 90    |
| Abroad                         | 0         | 0       | 1      | 0       | 0        | 0      | 1     |
| Other Urban Settlements        | 0         | 0       | 1      | 0       | 0        | 0      | 1     |
| Total                          | 1         | 34      | 71     | 1       | 3        | 6      | 116   |

#### 5.3. Households and Dwelling

The importance of understanding the modality of living lays in the need to properly identify potential vulnerability that might be affected by the project activities. Usually families with elderly people, with more children, with dependent members, with households living in rented dwelling etc. are of higher risk to experience adverse impacts and are less resilient than the households living in environments that don't meet these features.

Interviewed PAPs live in a different settlement environment. Some 92 of them live in urban environment, while only 24 are living in the rural environment. All 24, residing in the rural parts of the project's footprint are living in house, whilst 76 of those residing in urban settlements live in a house. The remaining 16 are living in apartment (flat).

Not all PAPs households are composed of single nucleus family. There are different modalities that were encountered.

The types of household presented here, are distinguished as: One-person, Nuclear, Extended and Composite. Nuclear household, defined as a household consisting entirely of a single-family nucleus, may be classified into: Married-couple family - with or without child(ren), Father with child(ren) and Mother with child(ren).

Extended household is defined as a household consisting of any one of the following:

- a) A single-family nucleus and other persons related to the nucleus, for example, a father with child(ren) and other relative(s) or a married couple with other relative(s) only;
- b) Two or more family nuclei related to each other without any other persons, for example, two or more married couples with child(ren) only;
- c) Two or more family nuclei related to each other plus other persons related to at least one of the nuclei, for example, two or more married couples with other relative(s) only;
- d) Two or more persons related to each other, none of whom constitute a family nucleus;

Composite household is defined as a household consisting of any of the following:

- a) A single-family nucleus plus other persons, some of whom are related to the nucleus and some of whom are not, for example, mother with child(ren) and other relatives and nonrelatives;
- b) A single-family nucleus plus other persons, none of whom is related to the nucleus, for example, father with child(ren) and nonrelatives);
- c) Two or more family nuclei related to each other plus other persons, some of whom are related to at least one of the nuclei and some of whom are not related to any of the nuclei, for example, two or more couples with other relatives and nonrelatives only;
- d) Two or more family nuclei related to each other plus other persons, none of whom is related to any of the nuclei, for example, two or more married couples one or more of which with child(ren) and non-relatives;
- e) Two or more family nuclei not related to each other, with or without any other persons;
- f) Two or more persons related to each other but none of whom constitute a family nucleus, plus other unrelated persons;
- g) Non-related persons only;

The following table gives overview of the structure of households od interviewed PAPs.

Table 15 Type of households where interviewed PAPs live

| Type of Household              | One-<br>person<br>household | Nuclear<br>household | Extended household | Composite<br>household | No<br>Answer | Total |
|--------------------------------|-----------------------------|----------------------|--------------------|------------------------|--------------|-------|
| Rural part of the Project area | 0                           | 22                   | 1                  | 0                      | 1            | 24    |
| Urban part of the Project area | 2                           | 81                   | 3                  | 0                      | 4            | 90    |
| Abroad                         | 0                           | 1                    | 0                  | 0                      | 0            | 1     |
| Other Urban Settlements        | 0                           | 1                    | 0                  | 0                      | 0            | 1     |
| Total                          | 2                           | 105                  | 4                  | 0                      | 5            | 116   |

According to the number of people living in each of the interviewed household the following table provides detailed information on the composition of the households. Most of the households in the cities consist of

two members, with some three and four member-households as well. Half of the rural households consist of just two members.

Table 16 Number of People in the Interviewed Household

| Number of people in the household | 1 | 2  | 3  | 4  | 5  | 6 | No<br>Answer | Total |
|-----------------------------------|---|----|----|----|----|---|--------------|-------|
| Rural part of the Project area    | 0 | 12 | 1  | 4  | 4  | 2 | 1            | 24    |
| Urban part of the Project area    | 2 | 38 | 18 | 20 | 7  | 1 | 4            | 90    |
| Abroad                            | 0 | 0  | 0  | 1  | 0  | 0 | 0            | 1     |
| Other Urban Settlements           | 0 | 0  | 0  | 0  | 1  | 0 | 0            | 1     |
| Total                             | 2 | 50 | 19 | 25 | 12 | 3 | 5            | 116   |

In the rural settlements there are 5 households with 7 individuals that are over 65 years of age. Some 4 households, with 6 individuals over 65, live in the urban parts of the project footprint. Though they might be quite identified as a potential case of vulnerable group, it is highly unlikely this project to cause any significant stress that cannot be mitigated with offered compensation measures.

There are 30 pre-school aged (till 6 years of age) children, living in 17 households in urban settlements. In the rural settlements there are 5 households with 6 children under age of 6, of which 2 children are from Topolnica. Children in the urban settlements live with their parents whose livelihood is dominantly salary based. No project induced vulnerability has been identified within these cases.

There are 2 rural households with 4 students (3 students Topolnica, 1 student Damjan). Four of the urban households have 6 students in total, with 2 households having 3 students, in each of both cities Sthip and Radovish.

In Shtip there is only one household with 1 dependent (person with special needs). However, this household is not cultivating its land but relies on the salary and social income for the person with special needs. The project cannot cause vulnerability to this household.

### 5.4. Land use and Livelihood

Historically, the project affected areas are known for their agricultural activity. Parts of the land are still actively used for providing livelihood for the local population, though some parts are completely abandoned.

The following table shows the extent of land use by the interviewed PAP households. Some 54.3% continuously use the land for agricultural activities, while some 11 PAPs are occasionally using the land they own for agriculturally activities. A single owner is renting part of the land, while 1/3 of the owners are not using the land at all.

Table 17 Use of land in agricultural purpose

| Using the affected land        | Regulary used | Occasionally used | Unused | Renting | No<br>Answer | Total |
|--------------------------------|---------------|-------------------|--------|---------|--------------|-------|
| Rural part of the Project area | 19            | 4                 | 0      | 0       | 1            | 24    |
| Urban part of the Project area | 44            | 5                 | 39     | 1       | 1            | 90    |
| Abroad                         | 0             | 1                 | 0      | 0       | 0            | 1     |
| Other Urban Settlements        | 0             | 1                 | 0      | 0       | 0            | 1     |
| Total                          | 63            | 11                | 39     | 1       | 2            | 116   |

More on detailed land use patterns by the interviewed sample of affected land owners can be found in Annex8.

According to the Crops survey, those PAPs who live in rural parts use their land for growing Tobacco (8), Wheat (6), Peaches (1), Clover (2), Fruit (2), Apricot (1), Potato (1), Vines (2). Those owners who live in the urban centres next to the project area are also growing tobacco (9), wheat (17), fruit (3), vines (17), Corn (1), Rye (1), Barley (1).

Those 3 farmers who lease land from the government are eligible to receive compensation for crops, if the construction works starts prior harvest. They will modify their contract with the Ministry for Agriculture, Forestry and Water Management to pay lower rent only for the land they will use within the remaining part of the contracted period, or to get other state-owned area of land nearby.

In Damjan, there are 10 households, of which only 3 are completely agriculture-based households. In Injevo, both households are agricultural households. In Topolnica (rural) 9 of 12 are completely agricultural households. One of these 12 households have a member abroad that sends some money as a support for his unemployed brother. Other two households have an employee, each, that brings salary monthly. So, in total, in the rural settlements there are 9 people (7 households) working for salary.

In the urban settlements of the project area, there are 44 households without employee which means that their income<sup>4</sup> is solely provided from agricultural activities, remittances, pension or self-employment. The remaining 46 households are dependent on salaries, as the primary income, pension and other types of income. There are no households without income.

Considered activities that provide livelihood were divided in four groups:

- 1) Agricultural Activity (Gardening, Fruit-growing, Livestock and Poultry Farming, Growing Vines, Crop Cultivation, Forestry)
- 2) Regular incomes (salary, pension, interest, rent from land, rent from apartment, social transfers)
- 3) Business (retail, services, production)
- 4) Other incomes (season work, remittances)

Each item of any of the four groups is considered as a source of income. The more sources of income the interviewed household has, the more resilient it is to the project activities. Overview of the state of sources of income of the interviewed PAPs is presented on the following Table.

Table 18 Total number of activities that provide livelihood to the households

| Number of sources of Income    | 1  | 2  | 3  | 4  | 5  | 6  | 7 | No<br>answer | TOTAL |
|--------------------------------|----|----|----|----|----|----|---|--------------|-------|
| Rural part of the Project area | 0  | 1  | 1  | 5  | 4  | 9  | 1 | 1            | 22    |
| Urban part of the Project area | 36 | 14 | 16 | 9  | 8  | 2  | 1 | 2            | 88    |
| Abroad                         | 1  | 0  | 0  | 0  | 0  | 0  | 0 | 0            | 1     |
| Other Urban Settlements        | 1  | 0  | 0  | 0  | 0  | 0  | 0 | 0            | 1     |
| Total                          | 38 | 15 | 17 | 14 | 12 | 11 | 2 | 3            | 112   |

The following table show how many interviewed households have income from different groups of activities (listed above). Those living in the cities rely mostly on their income from salary, and partially on agricultural

<sup>&</sup>lt;sup>4</sup> The term Income must be understood in economic frames, not only in financial. Namely, keeping livestock is also income, but not in financial term, but in in-kind. The owner of the livestock gets products from the livestock that can be monetized (by selling) or used in the households. If the household doesn't own livestock or poultry, it must buy these products from the market. So, this sort of sustainable economy is also considered as a source of income, regardless of whether it is used for personal needs or it is sold to the market. Thus, any kind of activity that brings certain benefit (in-kind or financial means) is considered source of income.

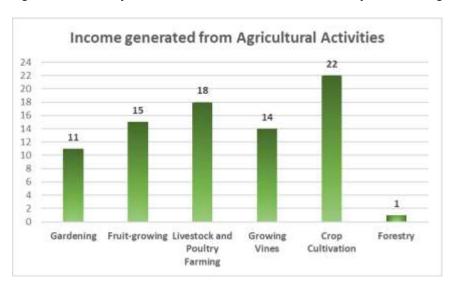
activities. Those living in rural areas beside that they are engaged in agricultural activities for personal use, part of that is sold to the market.

Table 19 Sources of income from different groups of activities

| Sources of income from different types of activity | 1  | 2  | 3  | No<br>Answer | Total |
|--|----|----|----|--------------|-------|
| Rural part of the Project area                     | 0  | 18 | 5  | 1            | 24    |
| Urban part of the Project area                     | 44 | 31 | 14 | 1            | 90    |
| Abroad   | 1  | 0  | 0  | 0            | 1     |
| Other Urban Settlements                            | 1  | 0  | 0  | 0            | 1     |
| Total  | 46 | 49 | 19 | 2            | 116   |

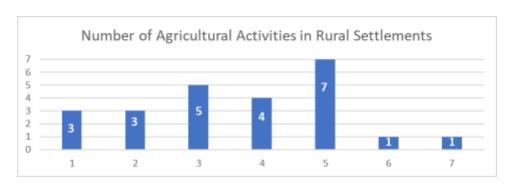
PAPs living in the rural settlements of the project are very active in sense of agricultural activities. Out of a total of 24 households, 22 are cultivating crops, 18 are keeping livestock and poultry, 15 are growing fruit, 14 grow vines, 11 grow garden vegetable and only 1 is engaged in forestry (see following figure).

Figure 9 Number of rural households whose income comes from these agricultural activities



Regarding the number of conducted agricultural activities by each of the affected interviewed households living in the rural settlement of the project area the following figure gives exact image of how many households are practicing number of agricultural activities. There are 7 households that do 5 of 6 agricultural activities, 5 are doing 3 agricultural activities, 4 are conducting 4 agricultural activities, and so on.

Figure 10 Number of agricultural activities by each of the interviewed rural households



Agricultural income of the interviewed PAPs living in the urban settlements is presented in the table below. Some 43 households didn't report any agricultural activity on their land, whilst 47 are conducting agricultural activity, of which 16 households conduct single activity (7 vine growing, 5 crops, etc). In total, 2 households do forestry, 7 households do gardening, 9 households have orchards, 26 households are growing vine, 28 households keep livestock and poultry and 35 households are growing crops or plants.

Number of Agricultural Activities in Urban Settlements

16 12 11 6 2
0 1 2 3 4 5

Figure 11 Number of agricultural activities by each of the interviewed urban households

Table 20 Number of sources of regular incomes the households

| Sources of steady incomes      | 1  | 2 | 3 | Total |
|--------------------------------|----|---|---|-------|
| Rural part of the Project area | 6  | 0 | 1 | 7     |
| Urban part of the Project area | 59 | 8 | 0 | 67    |
| Abroad                         | 1  | 0 | 0 | 1     |
| Other Urban Settlements        | 1  | 0 | 0 | 1     |
| Total                          | 67 | 8 | 1 | 76    |

There are 76 of 116 households that rely on the steady income from salary (51), pension (24), rent from land (1), or rent from apartment (1). Some 7 rural households are having steady income from salary or pension. One of these 7 households in the rural settlements in the project area has 3 employed under its roof, while one has 1 employed member. The remaining 5 have pension.

The decreased income from agricultural activities as a result of land take process is not seen to cause significant vulnerability to the affected households. Regular income that the affected households relies upon still holds the foundation of minimizing the potential vulnerability that usually comes together with linear infrastructure projects. Furthermore, the agricultural practice under project footprint is not seen as high-scale activity so to expect livelihood of the affected to be impacted in a direction of increase of social vulnerability.

The crops that the affected household grown on their field (excluding vines and fruit trees) are perineal and if the affected individuals are willing to continue with agricultural activity after land-loss event they are free to choose whether to buy other piece of land so to replace previous one, from the economic perspective, and continue with the previously practiced agricultural activity, or change the livelihood provision practices for which most of the affected are keen to do it due to the low income from agriculture and significant external migration of youth from the area.

# 5.5. Vulnerable Groups

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

- informal users of affected land who have no sources of income or assets of their own;
- owners of informal residential structures (built without construction permits), with no other property or place of residence;
- persons who depend on the affected land for incomes/livelihoods and it is the only land they own or use;
- elderly single headed households, single parent households, households with multiple members, etc. who must be physically re-located;
- persons who will be affected by physical and/or economic displacement, whose socio-economic status is low, for example beneficiaries of social welfare;
- illiterate persons who may have difficulties accessing information about the Project and land acquisition or understanding contracts and other important documents, etc.

After detail consideration of the gathered data, as well as information gathered during the site visit and realization of questionnaire we have confirmed that there is no vulnerable group that might be affected from this project.

# 6. Legal Framework

# 6.1. National Legislation

In the Republic of Macedonia, the legislative acts given below regulate the issues of obtaining State ownership rights to privately owned land parcels based on the necessary public needs caused due to road constructions activities:

- Expropriation Law (Official Gazette of Republic of Macedonia No. 95/12, 131/12, 24/13, 27/14, 104/15, 192/15, 23/16, 178/16);
- Law on Public Roads (Official Gazette of the Republic of Macedonia No. 84/08; 52/09; 114/09; 124/10; 23/11; 53/11; 44/12; 168/12; 163/13; 187/13; 39/14; 42/14; 166/14, 44/15, 116/15, 150/15, 31/16, 71/16);
- Law on Construction (Official Gazette of Republic of Macedonia No. 130/09, 124/10, 18/11, 36/11, 54/11, 13/12, 144/12, 25/13, 79/13, 137/13, 163/13, 27/14, 28/14, 42/14, 115/14, 149/14, 187/14, 44/15, 129/15, 217/15, 226/15, 30/16, 31/16, 39/16, 71/16, 132/16).
- Law on Assessment (Official Gazette of the Republic of Macedonia No. 115/10, 158/11, 185/11, 64/12, 188/14, 104/15, 153/15, 192/15, 30/16)
- The Law on Access to Public Information (OG of RM no. 13/06, 86/08, 06/10, 42/14, 148/15, 55/16)
- Methodology for assessment of the market value of the real estate (Official Gazette of the Republic of Macedonia No. 54/12)

- Rulebook on the method of cadastral classification and determination and registration of the change of cadastral culture and land class (Official Gazette of Republic of Macedonia No. 144/13, 95/15)
- Law on acting upon illegally constructed buildings (Official Gazette of the Republic of Macedonia No. 23/11, 54/11, 155/12, 53/13, 72/13, 44/14, 115/14, 199/14, 124/15, 129/15, 217/15, 31/16)
- Law on Property and Other Real Property Rights (Official Gazette of the Republic of Macedonia No. 18/01, 99/08, 139/09 and 35/10);
- Law on acting upon complaints and proposals (Official Gazette of Republic of Macedonia No.82/2008, 13/13, 156/15, 193/15);
- Law on Property Cadastre (Official Gazette of the Republic of Macedonia No. 55/13, 41/14, 115/14, 116/15, 153/15, 192/15, 61/16);

# 6.2. Macedonian Legal Framework for Social Issues

Social domain is the key pillar of every law. But those that are of interest relating to this project are:

- Law on Social Protection (OG of RM no. 79/09, 148/13,164/13, 187/13, 38/14, 44/14, 116/14, 180/14, 33/15, 72/15, 104/15, 150/15, 173/15, 192/18, 30/16)
- Law on Pensions and Disability Insurance (OG of RM no. 53/13, 170/13, 43/14, 44/14, 97/14, 113/14, 160/14, 188/14, 20/15, 61/15, 97/15, 129/15, 147/15, 154/15, 173/15, 217/15, 27/16, 120/16, 132/16)
- Law on Housing (OG of RM no. 99/09, 57/10, 36/11, 54/11, 13/12, 55/13, 163/13, 42/14, 199/14, 146/15, 31/16)
- Law for Health Protection (OG of RM no. 43/12, 145/12, 87/13, 164/13, 39/14, 43/14, 132/14, 188/14, 10/15, 61/15, 154/15, 132/15, 154/15, 192/15, 37/16)
- Law on Public Health (OG of RM no. 22/10, 136/11, 144/14, 149/15, 37/16)
- Law on Sanitary and Health Inspection (OG of RM no. 71/06, 139/08, 88/10, 18/11, 53/11, 164/13, 43/14, 144/14, 51/15, 150/15, 37/16)
- Law on Equal Opportunities of Women and Man (OG of RM no. 06/12, 166/14, 150/15, 201/15)
- Law on Traffic Safety (OG of RM no. 169/15, 55/16)
- Law on Safety and Rescue (OG of RM no. 93/12, 41/14, 71/16, 106/16)

Social welfare and protection in Macedonia comprise of services and benefits from the tax-financed social welfare system (social prevention – which according to the Law on Social Welfare includes - educational and advisory work, development of self-assistance forms, volunteering work etc., institutional care, non-institutional care and monetary assistance) and contributory- based social insurance system (pensions and disability, health and unemployment insurance).

Law on Pensions and Disability Insurance defines the obligatory pension insurance of workers under working contract and the natural persons performing activity, the bases of the capital funded pension insurance, as well as the special conditions how certain categories of insured persons receive the right to pension and enjoy disability insurance. The rights deriving from the pension and disability insurance are the following: right to age-related pension, right to disability pension, right to re-allocation to other adequate, working post, right to adequate employment, right to re-qualification or higher qualification and right to adequate financial compensations, right to family pension, right to monthly compensation for physical damage, and right to minimal pension.

The key point from social perspective relevant to this project in the Law on Housing is that it envisages the possibility for renting state-owned apartments to socially endangered and homeless persons in accordance with the Law on Social Protection. This Law deals, among other things, with the issue of social housing and the housing of the vulnerable groups (children without parents or without parental care, users of social and permanent financial assistance, persons affected by natural disasters, disabled persons and persons who need assistance and care by other persons, the socially endangered persons belonging to the Roma community, lone parents with minor children).

The Law on Equal Opportunities of Women and Man defines basic and special measures for establishing equal opportunities for women and men, competences, tasks and duties of the responsible actors for ensuring equal opportunities, the procedure for determining a non-equal treatment of women and men, and the related issues. It aims to promote the principle for establishing equal opportunities for women and men in political, economic, social and education fields, as well as in all other aspects of social life.

# **6.2.1.** Expropriation Process

Macedonian legislation deals with involuntary resettlement and livelihood restoration under its legal framework for expropriation, with the basic notion that owners of properties are to be compensated for their losses, most often in monetary terms.

Brief presentation of the Expropriation process is presented in Annex 3.

The Law on expropriation ("Official Gazette of Republic of Macedonia" No. 95/12, 131/12, 24/13, 27/14, 104/15, 192/15, 23/16, 178/16) regulates the procedure for the expropriation of property for projects that are of public interest and the connected rights for real estates (immovable properties). Construction of linear infrastructure, in this case Express road, falls under a project of national/public interest. The legal justification of why the project is believed to be in the public interest is submitted together with the request for expropriation (as part of the same process), to the State Attorney, by the expropriation beneficiary. The State Attorney of the Republic of Macedonia also represents public companies, funds, agencies, departments, public institutions, trade companies and other institutions established by the Government. For this project, the Government of Republic of Macedonia accepts the initiative for expropriation, the State Attorney conducts it.

Expropriation Authority, upon the proposal for expropriation, schedules debate where owner of the property or the holders of other property rights of the property that is subject to expropriation and Proposer of the expropriation are invited. At the hearing the existence of public interest is determined, then the right of ownership and other property rights, as well as the type and amount of compensation and other facts and circumstances relevant to the process of expropriation.

The Authority must, after submission of the proposal for expropriation to the owner of the property or the holders of other property rights of the property, to schedule and hold a hearing on the proposal within 15 days of submission of the proposal to the owner of the property or the holders of other property rights of the property.

The hearing may end up with an agreement for compensation (payment in money or providing other suitable property), and for the amount of the fee if it is determined in money, as well as timeframes for payment.

This agreement as an executive document and by signing of the agreement is considered the expropriation process and procedure for the determination of compensation as completed and final.

If agreement is not reached the expropriation authority, relying on the facts set out in the procedure will issue a decision on expropriation. The decision on expropriation can be appealed to the Administrative Court within 15 days of receipt of the decision.

Ministry of agriculture, forestry and water economy leased the governmentally owned agricultural land to the tenants. This ministry terminates the existing contract with the tenant and sign a new one with the same terms as before, but without the amount of land that will be acquired. PESR will compensate these tenants, by using the same compensation methodology as for the land owners, but without compensation for land.

Other key aspects of the Expropriation Law are shown below:

**Compensation** - Article 18 "for the expropriated property there is a fair compensation that cannot be lower than the market value of the property. The market value of the property shall be established under conditions determined by this law, according to the methodology, rules and standards pursuant to the Law on Assessment. The right to seek compensation for expropriated property cannot become obsolete". Article 37 states that the market value of expropriated property and property that is given as compensation shall be determined by a qualified appraiser, pursuant to the Law on Assessment. Compensation for expropriated property usually is determined in financial means if the former owner or the possessor of other property rights and proposer of expropriation agree otherwise.

The owner of expropriated property shall also be entitled to compensation for crops, seeds, forests on the land and fruits, if they were not incorporated in the market value of the land. The owner of the property shall not be entitled to compensation for investments made after the date of submission of the proposal for expropriation.

If economic activity is performed in a property which is to be expropriated, the effect of interruption of this activity should be considered when determining the compensation due for expropriation. This amount shall be determined by an expert, pursuant to the Law on Assessment.

Proposal for expropriation, separate for each individual property, contains information on:

- The proposer of the expropriation;
- The property for which expropriation is proposed;
- The owner of the property (personal name or title, residence, main office);
- The holders of other real property rights (personal name or title, residence, main office);
- The type of facility or performing works for which expropriation is proposed.

The Proposal for expropriation is accompanied by the following documentation:

- An extract of the spatial planning act or approved project for infrastructure;
- A geodesic report with numerical data for the property which is proposed for expropriation;
- An offer of compensation equivalent to the market value of the property determined by a qualified appraiser pursuant to the Law on Assessment;
- A list of property under proposal for expropriation;
- Proof the funds for compensation are in place.

In addition to the Expropriation Law, provisions of the Constitution and the Law on Property and Other Real Property Rights are also relevant to land acquisition and resettlement:

- The **Constitution of the Republic of Macedonia** guarantees legal protection of ownership and states that no person may be deprived of his/her property or of the rights deriving from it, except in cases concerning the public interest determined by law. If property is expropriated or restricted, rightful compensation not lower than its market value is guaranteed.
- According to the **Law on Property and Other Real Property Rights**, no person may be deprived of his/her property or of the rights deriving from it, except in cases concerning the public interest determined by law and the acts for spatial planning. In case of deprivation (complete expropriation) or restriction (incomplete expropriation), rightful compensation for the property not lower than its market value at the time of expropriation is guaranteed.

# **6.3. EBRD Policy Framework**

The Project has been screened as a Category B project under EBRD's Environmental & Social Policy 2014.

The Project needs to meet the requirements for land acquisition, involuntary resettlement and economic displacement as specified in the EBRD Environmental and Social Policy (2014) and Performance Requirements (PRs). This Land Acquisition & Resettlement Framework (LARF) has been developed, in accordance with EBRD's PR5 (Land Acquisition, Involuntary Displacement & Economic Displacement) of the Policy.

EBRD requirements pertaining to land acquisition and displacement, relevant for this Project can be summarised as follows:

- to avoid or, when unavoidable, minimise, involuntary resettlement by exploring alternative project designs; measures to mitigate adverse impacts on displaced persons and host communities should be carefully planned and implemented;
- to mitigate adverse social and economic impacts from land acquisition or restrictions on affected
  persons' use of and access to land by: (i) Providing compensation for loss of assets at replacement cost,
  prior to taking possession of acquired assets; and (ii) Ensuring that resettlement activities are
  implemented with appropriate disclosure of information, consultation, and the informed participation of
  those affected;
- to restore or, where possible, improve the livelihoods and standards of living of displaced persons, including those who have no legally recognisable rights or claims to the land (present in the project affected area at the time of the cut-off date), to pre-project levels and support them during the transition period;
- to make special provisions for assisting disadvantaged or vulnerable individuals or groups (present in the
  project affected area at the time of the cut-off date) that may be more adversely affected by
  displacement than others and who may be limited in their ability to claim or take advantage of livelihood
  assistance and related development benefits;
- to establish a grievance mechanism to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons, including a recourse mechanism designed to resolve disputes in an impartial manner.

The above list is only a summary of the main EBRD PR 5: Land Acquisition, Involuntary Resettlement & Economic Displacement (2014) requirements and the full text of the policy is at <a href="http://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html">http://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html</a>.

# 6.4. Gaps Analysis between Macedonian Legal Framework & EBRD Requirements

The key gaps between the national legislation of the Macedonia and EBRD's PR5 relevant for this Project are summarised below. This LARF (including the entitlements matrix and eligibility criteria) contain measures to bridge these gaps:

- Informal Land Rights: Macedonian law focuses on compensation for formal land rights, whereas EBRD also covers compensation, livelihood restoration and consultation for persons with no formal recognisable legal right or claim to land they occupy.
- Livelihood Restoration: EBRD PR5 includes requirements for livelihood restoration to restore incomes
  and standards of living of displaced persons to pre-project levels (both for persons with formal and
  informal land title). Whilst Macedonian law requires compensation for lost profit / income of affected
  formal economic activities resulting from displacement, this only applies to people with formal land
  rights. Neither does Macedonian law require assistance for resettlement or alternative livelihood
  assistance such as training or provision of favourable loans or employment opportunities.
- Participation and Consultation: EBRD PR5 sets greater requirements than Macedonian law for giving
  affected persons the opportunity to participate in the negotiation of the compensation packages,
  eligibility requirements, livelihood restoration and resettlement assistance.
- Socio-Economic Surveys: Conducting socio-economic surveys to assess impacts on livelihoods is required by EBRD, but not required by Macedonian law. Instead, Macedonian law focuses on the development of expropriation studies which represent inventories of affected properties and involve basic information about registered owners of these properties (i.e. names, addresses, and ID numbers etc.) so that they can be identified and compensated. Such reports do not generally apply to people with informal land rights or unregistered land/assets.
- Vulnerable Individuals & Groups: Macedonian law does not stipulate special measures relating to vulnerable groups. EBRD, however, requires attention to be paid to vulnerable groups, including during consultation, identification of entitlements and appropriate resettlement assistance.
- Resettlement Action & Livelihood Restoration Frameworks & Plans: Macedonian law does not require
  the preparation of resettlement action or livelihood restoration frameworks/plans. However, these are
  required for EBRD financed projects involving land acquisition and resettlement resulting in physical
  and/or economic displacement.
- Valuation of Expropriated Assets: EBRD states that compensation for loss of assets is calculated at full
  replacement cost, i.e. market value of the assets plus transaction costs, and that depreciation of
  structures and assets should not be considered. However, Macedonian law states that compensation is
  established according to the market value of the material and the labour necessary for construction of
  facilities, decreased by the relevant amortization amount.
- Grievance Mechanisms: Although Macedonian law establishes rights of affected citizens (those with
  formal land rights) to appeal to Courts during the expropriation process, it does not require development
  of specific grievance mechanisms. EBRD, however, requires grievance mechanisms to be set up as early

as possible in the process, to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by affected persons, regardless of their formality status, including a recourse mechanism designed to resolve disputes in an impartial manner. A summary of complaints and the measures taken to resolve them should be made public on a regular basis.

- Access to Land/Property Prior to Payment of Compensation: There are several options for the Proposer
  of Expropriation to acquire the right of accessing land/property prior to payment of compensation, under
  the Expropriation Law and the Construction Law. According to EBRD PR5, compensation needs to be
  provided before displacement or imposition of access restrictions.
- Cut-off Date for Affected Persons with No Legal Right or Claim to Land they Occupy/Use: Persons who have no recognisable legal right or claim to the land they occupy and/or use are not recorded by a census and survey; consequently there is no cut-off date for determining eligibility for compensation for this affected group. The cut-off date, according to EBRD PR5 is during the baseline assessment or census. Persons moving into the project location after the cut-off date are not entitled to compensation or other assistance. Information regarding the cut-off date needs to be well documented and communicated across the project area.
- Monitoring & Evaluation: There are no requirements for monitoring and evaluation of the resettlement
  and the livelihood restoration process and outcomes. However, according to EBRD requirements,
  monitoring of the resettlement and livelihood restoration process is mandatory, and often includes
  external monitoring of the RAP/LRP completion in order to determine whether provisions have been
  met.

# 7. Institutional Framework

Following institutions, each with different roles and responsibilities, are main actors in the process of expropriation are:

**State Attorney's Office** of the Republic of Macedonia is a Governmental institution which takes a measures and legal means for legal protection of property rights and interests of the Republic of Macedonia and performs other duties prescribed by law.

**Ministry for Transport and Connections** is the governmental body responsible for issuing permits for construction and monitoring the process of expropriation in means of completion of the process of expropriation.

The Real Estate Cadastre Agency of the Republic of Macedonia holds and registers the information on ownership rights of the land in Republic of Macedonia. It can be consulted during the process of obtaining valuable and valid information on ownership and current land use/leasing.

Ministry of Agriculture, Forestry and Water Supply conducts transformation of agricultural land into construction land.

The following institutions offer wide spectrum of assistance that can enable, support and facilitate the consultation process for implementation of RAP.

#### National level:

**Ministry of Agriculture, Forestry and Water Supply** It can be consulted during the process of creation of packages for compensation. Also, it can be consulted in the process of estimating compensation for lost crops.

**Ombudsman** can be consulted on various legal advices related to litigations of PAPs with the governmental bodies.

#### Local level:

The Inter-municipal Centre for Social Work established by the Government that can be consulted during the process of realization of RAP. The Centre can give valuable input into identification, communicating and addressing of the vulnerable social groups, thus giving appropriate direction for setting compensation means/packages for such groups.

**Local community level (Village):** Unofficial representatives of the local villages be consulted for and actively involved in the preparation and execution of resettlement processes in their area of jurisdiction. They might be consulted and involved as mediators in the processes of redressing the complaints/grievances, before those are deposited with the Grievance Redress Committee.

# 8. Eligibility and Entitlements

# 8.1. Eligibility Criteria & Categories

The basic principle followed in this document is that PAPs should be assisted in their efforts to improve their former living standards, income earning capacity, and production levels, or at least to restore them to preproject level whereby lack of legal title does not exclude individuals from the eligibility to receive compensation and/or rehabilitation assistance.

All individuals / households occupying or using project affected land, recorded in the survey/census (owners and users, both formal and informal) are entitled to compensation and/or livelihood restoration or other assistance as outlined in the Entitlements Matrix in Section 8.2. The following categories of Project Affected Persons (PAPs) have been identified:

- Owners of land (formal with legal rights or claims over the land);
- Formal users of land (e.g. a tenant with formal legal right over the land they occupy/use);
- Owners of crops and tress (including vines and trees in orchards);
- Owners of businesses (formal or informal business/economic activity);
- Owners of non-residential structures/assets and infrastructure;
- Owners of business structures/assets;
- Local community and individual/households affected by loss of access and/or disruption on access;
- Local community and individual/households affected by loss of access and/or disruption on access which
  may potentially cause significant effects on livelihood that due to their vulnerability and/or livelihood
  dependency of these activities may cause a disproportionate affect;

Vulnerable Groups/Individuals.

# 8.2. Entitlements Matrix

Land acquisition and resettlement are implemented according to a compensation and entitlements framework in line with Macedonian laws and regulations and EBRD's Environmental and Social Policy. Where they are different, the entitlements most favourable to the PAPs are applied, as set out in the Entitlement Matrix below.

All PAPs living in the Project area before the cut-off date (19.07.2016) are considered for compensation for their losses and/or rehabilitation assistance. Lack of legal rights or titles does not make them ineligible for entitlements.

The Entitlements Matrix is presented in the following table for the categories of PAPs affected by the physical and economic displacement impacts arising potentially from the Project.

Table 21 Entitlement matrix

| Type of Loss/Impact  | Category of Project Affected Persons                              | Entitlements <sup>5</sup>  |
|--|---|--|
| Permanent Land Take  |   |  |
| Loss of land (mainly agricultural, forest and/or pasture land – may be small number of vineyards, orchards & construction land).  For both formal & informal users of land – this refers to privately owned land and State land. | Owners of land (formal with legal rights or claims over the land) | Registration of land parcels according to Macedonian legislation, prior to expropriation, free of costs. Cash compensation for affected land at replacement cost (equivalent to the market value of the property, sufficient to replace the lost assets and cover transaction costs)  For agricultural land, it is the pre-project, market value of land of equal productive potential or use located near the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. |

<sup>&</sup>lt;sup>5</sup> See Section 5.6 for further details.

| Type of Loss/Impact   | Category of Project Affected Persons  | Entitlements <sup>5</sup>   |
|---|---|---|
|   | Formal users of land  (e.g. a tenant with formal legal right over the land they occupy/use) | Information about the acquisition of land at least three months in advance of land entry to enable tenant to find other land for lease Support will be sort from the Municipalities to find alternative land to lease formally and provide access to available support services.  |
| Orphan Land: i.e. part of an affected land plot which remains after expropriation and for which the owner has no more economic interest in using and/or is an economically unviable plot. | Owners of land  (formal with legal rights or claims over the land)                          | If a request of the affected owner of land has been made in accordance with the Expropriation Law (Article 20) and has been declared as being justified based on the expert valuation report.  Registration of land parcels according to Macedonian legislation, prior to expropriation, free of costs. Cash compensation for affected land at replacement cost (equivalent to the market value of the property, sufficient to replace the lost assets and cover transaction costs) |
| Loss of annual/perennial crops (e.g. tobacco) and trees, including vines and trees within orchard (e.g. sweet almond trees).  | Owners of crops and trees   | Cash compensation for lost annual / perennial crops / plants at full replacement cost. This includes market price plus transitional allowance to cover labour to replant and time needed to grow such plants to their previous productive stage.  |
| Loss of Non-Residential<br>Structures (e.g. sheds,<br>barns, fences, irrigation<br>systems etc.)  | Owner of non-residential structure and infrastructure                                       | Cash compensation at full replacement cost and moving allowance for movable assets or assistance to move them.  |

| Type of Loss/Impact  | Category of Project Affected Persons  | Entitlements <sup>5</sup>  |
|--|---|--|
| Loss of Business Structures  | Owner of business structure   | Moving allowance for movable assets or assistance to move them or cash compensation at full replacement cost.  |
| Loss of sources of income and/or livelihoods associated with any of the above losses and particularly 'Agricultural' Livelihoods         | Owner (formal or informal business or economic activity) – could include agricultural livelihood activities   | Cash compensation for lost net income during the period of transition (until the reestablishment of business/economic activities in another location) and livelihood restoration assistance (support in professional training for increasing production and levelling land).                       |
| DURING CONSTRUCTION IM   | PACTS - Temporary Effects   |  |
| Temporary loss of land<br>(mainly agricultural, forest<br>and/or pasture land – may<br>be small number of                                | Owners of land (formal with legal rights or claims over the land)   | Cash compensation at full replacement cost for the right to use land under contract/agreement for an agreed period and reinstatement of land after use.  |
| vineyards, orchards & construction land) - required during the construction period.  | Formal users of land (e.g. a tenant with formal legal right over the land they occupy/use)  | Information about the acquisition of the land at least three months in advance of land entry, to enable the tenant to find other land for lease.   |
| For formal users of land – this refers to privately owned land and State land.   | Informal users of land  (with no formal legal rights or claims over the land they use – this may also refer to areas of State land (or other land) which has been used on a customary or long-term basis but right of use not registered) | Information about temporary use of land at least three months in advance of land entry to enable user to find other land. Assistance to identify replacement land to use for period / resources for use prior to land entry - support will be sort of the Municipalities to find alternative land. |
| Loss/damage to annual/perennial crops (e.g. tobacco etc.) and trees, including vines and trees within orchard (e.g. sweet almond trees). | Owner of crops and trees  | Cash compensation for lost or damaged annual / perennial crops / plants at full replacement cost.  |
| Damage/temporary disruptions to certain agricultural infrastructure (e.g. irrigation).   | Local community and individual/households affected by loss.   | Repairs, compensation or other measures agreed with affected people and local communities.   |

| Type of Loss/Impact   | Category of Project<br>Affected Persons   | Entitlements⁵   |
|---|---|---|
| Temporary loss of and/or more difficult access to land for farming or other livelihood related land uses and disturbance to agricultural vehicles/livestock etc. using existing A4 and other existing routes to land etc. | Local community and individual/household affected by loss of access and/or disruption on access.  | Avoidance of impact through good Traffic Management, good engagement with affected PAPs and careful sequencing of works.  Cash compensation for lost net income during the period of transition (until the reestablishment of income level/livelihood activities <sup>6</sup> ) and livelihood restoration assistance.  |
|   | Local community and individual/household affected by loss of access and/or disruption on access which may potentially cause significant effects on livelihood that due to their vulnerability and/or livelihood dependency of these activities may cause a disproportionate affect. | Cash compensation for lost net income during the period of transition (until the reestablishment of business/economic activities) and livelihood restoration assistance and if deemed necessary due to vulnerabilities due to project impacts, the Contractor & PESR (or their representative) will in discussion with the relevant support services at the Municipality identify additional assistance for the period of impact such as food baskets provided on a weekly scale (i.e. this group may be specifically vulnerable to such disruption during the winter period and harvest periods etc.). |
|   |   | In planning the Work during winter and harvest periods there are anticipated effects on access arrangements for PAPs/villages identified as vulnerable the Contractor & PESR will pre-emptively discuss additional assistance for the potential period of impact.   |
| Temporary loss of sources of income and/or livelihoods associated with any of the above losses and particularly 'Agricultural' Livelihoods and disruption to businesses, including loss of and/or more difficult access.  | Owner of business<br>(formal or informal<br>business/economic<br>activity)  | Cash compensation for lost net income during the period of transition (until the reestablishment of business/economic activities) and livelihood restoration assistance.  |

<sup>&</sup>lt;sup>6</sup> Annual incomes from certain livelihood activities based on the preceding 3 years will be gathered (as far as possible) during the Socio-Economic surveys and used as one metric for determining lost net income. Effects on harvest periods will be given specific consideration in determining entitlement.

| Type of Loss/Impact  | Category of Project<br>Affected Persons   | Entitlements⁵  |  |  |  |  |
|--|---|--|--|--|--|--|
| DURING OPERATION IMPACTS – Permanent Access Effects  |   |  |  |  |  |  |
| Loss of and/or more difficult access to land, commercial facilities and/or the road network. | Local community and individual/household affected by loss of access and/or disruption on access.  | Mitigation Incorporated into Design: Avoidance of impacts through the creation of local access roads (e.g. Expressway Section V), overpasses and underpasses for movement of people and animals, as discussed with local community during consultations and other measures agreed with local communities.  |  |  |  |  |
|  | Local community and individual/household affected by loss of access and/or disruption on access which may potentially cause significant effects on livelihood that due to their vulnerability and/or livelihood dependency of these activities may cause a disproportionate affect. | Mitigation Incorporated into Design: Avoidance of impacts through the creation of local access roads (e.g. Expressway Section 5), overpasses and underpasses for movement of people and animals, as discussed with local community during consultations and other measures agreed with local communities.  Potentially there are a very small number of households that may own or use land for agricultural livelihood activities on the opposite side of the existing road and/or Expressway to where they live. If the impacts on an individual PAP in this category are found to be of a significant nature PESR will review assistance measures and whether (if requested by the PAP) purchase and/or compensation for the affected land can be offered. A significant nature would be a permanent diversion of route 50 % longer in length or journey time to access their land. This entitlement will only be triggered if the circumstances described exist. However, the current design of the Project results in very minimal increases in journey times so the risk of this being triggered is thought to be low. |  |  |  |  |

#### 8.3. Cut-off Dates

The cut-off date for eligibility and the value of affected properties for those with formal rights is defined as the date of notification of an owner that a Proposal for Expropriation has been submitted. The date of the survey will be the cut-off date for eligibility to compensation/entitlement for those with no legal rights.

The cut-off date for this project is 19.07.2016.

# 9. Valuation and Compensation for Losses

# 9.1. Methodology for Valuation and Compensation

Project affected people will be compensated at full replacement and substitution costs without depreciation in and after due consultation with them. Full replacement cost will be calculated as the market value of assets plus any transaction costs associated with restoring such assets (e.g. transfer taxes, registration costs, the cost of preparing the land to levels similar to those of the affected land). The market value of assets (land and structures) will be defined based on recent market transactions in the affected area. In the absence of such transactions, the value of assets will be defined in accordance with their tax value, as registered in the local Tax Administration. Also, a check will be carried out on the cost of purchasing land in the area to check compensation will be sufficient for PAPs to buy replacement land if they so wish

Valuation of properties was conducted by certified evaluators from the Bureau for Forensic Expertise in accordance with the Law on Property Valuation. Replacement cost of land corresponds to the market value of land with similar characteristics, near the affected land, plus any transaction costs. The valuation of land considers the quality and productivity of land. Valuation of plants and trees considers various important features, such as their age or the resources and amount of time that would be needed to grow a new tree/plant. More on this see section 9.3.

All fees and taxes on land and/or house transfers are waived or otherwise fees and taxes are included in a compensation package for land and/or house.

Compensation for an expropriated property will be provided in cash. Given there is sufficient replacement land and the limited (if any) physical displacement cash compensation rather than like-for-like compensation is considered appropriate for this Project.

Compensation will be paid prior to accessing land or taking possession of properties or displacement occurs. If the affected people dispute the offered compensation amount (or type) and turn to the Courts, and PESR takes advantage of legal options for accessing the property before compensation is executed, every effort will be made to pay for all undisputed assets as quickly as possible to minimise impacts on affected people/households. If a property is to be accessed by the client, after it has become legally binding but before compensation has been accepted, the following will take place:

- 1. The amount intended as compensation will be placed in an escrow account
- 2. In the event that a residential property is no longer usable, alternative and adequate housing will be provided. Adequate housing or shelter, with same or improved quality, can be measured by quality, safety, affordability, habitability, cultural appropriateness, accessibility and locational characteristics. Adequate housing will allow access to employment options, markets and basic infrastructure and services, such as water, electricity, sanitation, health care and education.

- 3. In the event that the land /part thereof is used for agricultural and/or other livelihood purposes compensation will be provided to cover for the economic loss to be incurred
- 4. Other assistance will be provided and to be determined on a case by case basis.

Resettlement assistance will be provided before and/or after displacement, until the affected household reestablishes or, if possible, improves their standard of living. Similarly, in cases when it is determined that the Project will cause economic displacement, compensation and livelihood restoration assistance will be provided before displacement occurs, so that the affected people can restore their sources of income/livelihoods. Livelihood restoration assistance will continue until sources of households' livelihoods are completely restored or, if possible, improved.

Temporary replacement structures or land can be provided to physically or economically displaced people/households, as foreseen by the *Expropriation Law*, with their consent. Affected people/households will be able to use these facilities until their compensation payments have been executed and they have replaced their lost land/assets.

# 9.2. Methodology for Valuation of Real Estate Assets

During RAP preparation, PESR has engaged services of a competent and certified independent assessor (Bureau for Forensic Expertise), responsible for determining replacement cost of affected properties and assets. The methodology for assessment of real estate assets is described in the Methodology for assessment of the market value of the real estate (Official Gazette of the Republic of Macedonia No. 54/12). Beside this methodology, the Law on Assessments (OGRM 115/10) has been followed, too.

The value of the land that is subject to the process of expropriation for this project has been defined with the following documents issued by the:

- Municipality of Radovis: Decision No. 33-1845/3, dated 23.12.2015 for defining the average market prices of the real urban unconstructed and agricultural land per m<sup>2</sup> in the area of the municipality of Radovish 08-801/4 from 16/04/2015<sup>7</sup>
- Municipality of Shtip: Information No. 17-9383/2 from 13/11/2015 for the market price of the agricultural land in the Municipality of Shtip from conducted sales for the previous year.

These two documents are official statement issued by the appropriate local authorities. The valuation of the land by zones in Radovish is available at the official website of the Municipality and can be seen in **Annex 2**.

The following table shows the assessed compensation price for acquired land by types.

Table 22 Valuation price for land, by cadastral class

<sup>&</sup>lt;sup>7</sup> This document was last accessed on 20/01/2018, 00:00h, on to the following website http://www.radovis.gov.mk/wp-content/uploads/2015/06/GI-04-15.pdf

| Denars /m2        | 17<br>(MKD/m2) | 20<br>(MKD/m2) | 25<br>(MKD/m2) | 30<br>(MKD/m2) | 35<br>(MKD/m2) | 38<br>(MKD/m2) | 40<br>(MKD/m2) |
|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Sofilari          | -              | -              | +              | 1              | -              | -              | -              |
| Dolani            | -              | -              | 1              | 1              | +              | ı              | -              |
| Selce             | -              | -              | 1              | 1              | -              | +              | -              |
| Lakavica          | -              | -              | 1              | 1              | -              | +              | -              |
| Leskovica         | +              | -              | 1              | 1              | -              | 1              | -              |
| Novo Selo         | -              | -              | 1              | 1              | -              | -              | +              |
| Brest             | -              | -              | -              | -              | -              | -              | +              |
| Radovish von grad | -              | -              | 1              | +              | +              | ı              | -              |
| Prnalija          | -              | -              | 1              | +              | -              | ı              | -              |
| Injevo            | -              | -              | 1              | +              | -              | ı              | -              |
| Topolnica         | -              | +              | -              | +              | -              | -              | -              |
| Damjan            | -              | +              | -              | +              | -              | -              | -              |

Cells coloured in violet indicates the compensation price for Orchard and Vineyards in the given cadastral municipality.

# 9.3. Methodology for Valuation of Agricultural Assets

The methodology for assessment of value of crops and trees is based on several official documents, academic and statistical resources.

The assessment of valuation of the crops, plants and cultures has been made in accordance with:

• the Methodology for Assessment of the Value of Agricultural Assets (OGRM 171/11),

Additionally, the following literature has been consulted:

- 1) Field crops, orchards and vineyards, Statistical Review. State Statistical Office, Skopje. Annual statistical review, where the average crop yield is listed, by municipalities (reports for the period 2010-2016)
- 2) Reports on Prices of agricultural products on retail, wholesale and livestock markets, monthly reports for the period 2010-2016, by State Statistical Office od Republic of Macedonia)
- 3) Costs and Calculation (Textbook) M. Milanov, A.Martinovski Stojcevska, Faculty for Agricultural Sciences and Food, Skopje
- 4) Taxations in Agriculture M. Milanov, A.Martinovski Stojcevska, Faculty for Agricultural Sciences and Food, Skopje

The following tables shows the assessed compensation price for acquired crops, trees and vines from privately owned land, undertaken by Bureau for Forensic Expertise.

Table 23 Compensation price for Crops

| Tubic 25 compensation price jor c |        |  |  |  |  |
|-----------------------------------|--------|--|--|--|--|
| Crops                             | MKD/m2 |  |  |  |  |
| Wheat                             | 2,4    |  |  |  |  |
| Meadow                            | 1      |  |  |  |  |
| Sunflower                         | 3,6    |  |  |  |  |
| Clover                            | 6,4    |  |  |  |  |
| Tobacco                           | 15     |  |  |  |  |

The Project area contains vineyards and some will lose part of its area. The vineyards are compensated in regard of number of vines present on the area to be acquired. The following table gives overview of the compensation prices for various types of grape growing techniques and sort of vines.

Table 24 Compensation price for Vines

|                        | ,        |          |          |
|------------------------|----------|----------|----------|
| Vines                  | MKD/vine | MKD/vine | MKD/vine |
| Vranec                 | 50       | 70       | -        |
| Free set               | 15       | ı        | -        |
| Vranec on espalier     | 40       | 50       | 70       |
| Smederevka on espalier | 70       | -        | -        |
| Espalier               | 20       | 50       | -        |

Compensation price for trees is presented on the following table. Most of the trees were valuated as a standing tree, while the Oak has been valuated as a firewood tree mass.

Table 25 Compensation price for Trees

| able 25 compensation price for thees |         |         |         |         |         |            |            |            |      |      |
|--------------------------------------|---------|---------|---------|---------|---------|------------|------------|------------|------|------|
| Fruit Trees                          | (50 cm) | (45 cm) | (30 cm) | (20 cm) | (10 cm) | (10 years) | (15 years) | (25 years) | Tree | m3   |
| Wallnut                              | 22000   | 16800   | 7200    | 4800    | 3840    | -          | -          | -          | -    | -    |
| Appricot                             | -       | -       | -       | -       | -       | 2100       | -          | 1000       | -    | -    |
| Apple                                | -       | -       | -       | -       | -       | -          | -          | -          | 1375 | -    |
| Cherry Plum                          | -       | -       | -       | -       | -       | 681        | 550        | -          | -    | -    |
| Pear                                 | -       | -       | -       | -       | -       | 2200       | 1250       | -          | -    | -    |
| Cherry                               | -       | -       | -       | -       | -       | -          | -          | -          | 2800 | -    |
| Almond                               | -       | -       | -       | -       | -       | -          | -          | -          | 780  | -    |
| Pumpkin (root)                       | -       | -       | -       | -       | -       |            |            |            | 12,5 | -    |
| Oak                                  | -       | -       | -       | -       | -       | -          | -          | -          | -    | 1870 |

During the valuation process, PAPs, local officials and relevant government offices (such as the Cadastre) were consulted.

# 9.4. Replacement valuation

With regard to land and structures, the replacement value is defined as follows:

- (i) For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located near the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.
- (ii) For land near settlement areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
- (iii) For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality like or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes.

In determining the replacement cost to be compensated to the PAP, depreciation of the asset and the value of salvage materials are not considered, nor is the value of benefits to be derived from the project deducted

from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, EBRD ESP 2014 and Resettlement Guidance and Good Practice should be applied.

Compensation for land, structures, business, fixed improvements and other temporary assets are based on market valuation, productivity valuation, negotiated settlements, material and labour valuation, disposition of salvage materials and other fees paid. It should be noted that lack of title, license or permit is not a bar to compensation.

#### 10. Resettlement Measures

PESR recognizes that this project creates limited and low-extent livelihood impacts to of the land-owners and users, so it offers a resettlement assistance to those vulnerable households which experience economic displacement. Measures include:

- Assistance to obtain personal documents, to help with accessing services available under national legislation
- · Assistance to access social welfare

Resettlement assistance will be provided to those who will seek such. PESR will cooperate with institutions and organisations that can provide needed services, such as the Municipal centres for social welfare or local organisations which work with vulnerable groups to assist them in accessing appropriate services, Municipalities for Shtip and Radovish, agricultural development agencies operating in the area (e.g. Agency for Promotion of Agricultural Development; Turkish International Cooperation Agency (TIKA); and Elbirligi) and local service providers, etc.

In case the implementation of the Project and loss of land and other assets or access to assets, leads to critical loss of income sources or means of livelihood (economic displacement) of PAPs, alongside compensation for affected land and assets, PESR will implement livelihood restoration measures that will include:

- compensation for the cost of re-establishing business activities elsewhere;
- assistance to identify and access other income/livelihood generation activities;
- assistance to access training for increasing their yield and production, skill development, job opportunities, agricultural development support etc.;
- compensation for or assistance to transport equipment or machinery.

The RAP focuses on identifying livelihood assistance measures that are sustainable and keep bringing benefits in so they can help improve livelihoods, rather than a one-off Project compensation payment.

All land temporarily occupied under agreement for the Project will be fully rehabilitated and reinstated once the contractual period for land use has ended. This means that all sites will be cleared of waste and that all equipment will be removed. It may also include top soil conservation in some areas to preserve the quality of the affected land, which will be the responsibility of awarded Contractors and monitored by PESR/PIU. Undertaking these measures will enable owners / users of land to continue using it in the same way they used it before the implementation of the Project.

Specific measures to assist vulnerable groups, identified through the socio-economic survey, are defined in accordance with their needs and include:

- legal or other assistance to restore their livelihoods,
- providing assistance in securing additional services from social workers.

#### 11. Public Consultation & Disclosure

#### 11.1. Public Consultations

Three open public consultation meetings for development of the Resettlement Action Plan were held with land owners that will be affected by the land acquisition process for the express road, including construction waste landfills. Affected land owners, personally, were invited to participate on the series of meetings. These meetings served to present the detailed project footprint and affected land and assets, to announce forthcoming socio-economic survey and to inform that the census and valuations of properties has been completed, to present the entitlements matrix and type and method of compensation measures that will be offered and to hear PAPs remarks on disclosed information.

In the period 17-24 January 2017, these three meetings with the affected parties (individuals and legal entities) were held in three different locations. The first meeting was held in the premises of the Municipality of Radovis (Main meeting room), on 17/01/2017. PAPs living in the Municipality of Radovish were invited. The second meeting was held in the main meeting room of the premises of the Municipality of Shtip on 20/01/2017, where only those PAPs living in Municipality of Shtip were invited. The third meeting was held in the premises of PESR, on 24/01/2017 with all PAP living in Skopje and other areas (except Radovish and Shtip). All meetings were scheduled at noon (12.00 o'clock). More on this series of Disclosure and Participation Activities can be found in Annex 5.

General discussions on all three public consultation meetings was concentrated on the project design, procedure for expropriation, strong interest about the compensation prices, the beginning and duration of the construction activities and individual interest whether their property has been affected and in what scale.

# 11.2. Public Disclosure

The RAP will be disclosed on the PESR website (<a href="http://www.roads.org.mk">http://www.roads.org.mk</a>) and the EBRD website (<a href="http://www.roads.org.mk">www.ebrd.com</a>). In addition, hard copies of the RAP will be available at the following locations:

- PESR in Skopje [Dame Gruev str. 14, 1000 Skopje]
- Municipality of Shtip [Str.Vasil Glavinov 4B; 2000 Stip, Macedonia; e-mail: info@stip.gov.mk]
- Municipality of Radovish [Bul. Aleksandar Makedonski 7; 2420 Radovish, Macedonia e-mail: contact@radovis.gov.mk]

There is a Project wide Stakeholder Engagement Plan (SEP) also disclosed on the PESR and EBRD websites and deposited at the above locations. This contains the engagement activities for the Project and includes the engagements with affected owners and users of land and assets (including those with legal and no legal rights or claims to land they occupy or use).

# 11.3. Future Participation and Disclosure Activities

When implementation of the RAP begins, PESR will continue to regularly inform and consult affected people. All meetings and consultations will be documented by PESR providing the date when the meeting/consultation was held, list of attendees, and a summary of the discussions.

PESR plans to publicly disclose this Document on its website, as well on the website of the both affected municipalities Shtip and Radovish, once it has been adopted by EBRD.

PAP participated throughout the development activities of this project and will continue to participate in implementation process of resettlement activities /land acquisition process. They are consulted by the PESR and the RIU and are invited to participate in public meetings held by PESR in every stage of the process. The PAPs will be provided with up-to-date and relevant information on the project, its impacts and the proposed mitigation strategies and economic rehabilitation activities.

#### 12. Grievance Redress Mechanism

# 12.1. Grievance Redress Committee: Tasks and composition

A Grievance Redress Committee at Program level has been established to address complaints and grievances pertaining to resettlement and to pre-empt all disagreements being referred to the court. The Committee includes PESR staff, a representative of affected municipality and representative of the local communities affected by the Project. Regular meetings in the respective municipality are to be held quarterly. This committee will serve also during the construction and it can help communities to provide services to the construction company.

This is informal mechanism in addition to existing formal grievance tool that exists through the legal system.

Leaflets will be developed with contact information and provided to all PAPs and will be presented in the following consultation.

All grievances should be addressed, through the form set in the Annex 1, to the following responsible person:

Mrs Biljana Lazevska, Manager of Human Resources Management and General Affairs Unit

Tel: + 389 (0)2 3118-044 ext.119

Fax: +389 (0)2 3220-535

email: biljanal@roads.org.mk

Address: Public Enterprise for State Roads

Dame Gruev str. 14, 1000 Skopje, Republic of Macedonia

PESR will accept all comments and complaints associated with the Project and in connection with the land acquisition and resettlement process, submitted either verbally or in writing. PESR recognises that consultation is an ongoing process, and different concerns may arise as the Project moves into the land acquisition and construction phases.

A sample of the Projects Public Grievance Form is provided in **Annex 1**. Any person or organisation may send comments and/or complaints in person, by phone or via post or email using the contact information provided below.

The SEP contains contact details of the local municipalities and the contact details of the construction Contractor(s) will also be made publicly available in the local area and included in a revised SEP, once a Contractor(s) is appointed.

The Grievance Form (in Macedonian and English) will be made available on the web site <a href="www.roads.org.mk">www.roads.org.mk</a> and all the concerned municipalities (i.e. Municipalities of Shtip and Radovish) will receive pre-printed forms to be readily-available for the public.

PESR will monitor the process of comments and complaints and the information will be summarised in Annual Environmental, Health & Safety and Social (AEHSS) reports, which will be prepared and posted on its website. PESR is obliged to respond to all complaints according to procedures prescribed in national legislation. The response time for grievances will be in accordance with national legislation for the issue in question. PESR will endeavour to acknowledge receipt of the Grievance within 5 working days, and to respond within 15 days of receiving the grievance.

At all times, complainants are also able to seek legal remedies in accordance with the laws and regulations of the Republic of Macedonia and EBRD's Project Complaint Mechanism.

# 13. Organizational Responsibilities

A RAP Implementation Unit (RIU)<sup>8</sup> within PESR has been established to implement approved RAPs. All activities indicated in the RAP are covered from PESR funds and be completed prior to commencing of the construction activities. PESR Project Implementation Unit (PIU) is responsible for preparing and implementing approved RAPs.

Major responsibilities and activities of the RIU/ PIU include – but may not be limited to – the following:

- Verify the RAP census and asset inventory data on the demarcated parcel;
- Undertake cadastral and topographic surveys and ensure correction of data of measuring and inventory as required by possible design changes;
- Closely consult with PAPs and settlements representatives;
- Prepare documentation for registration of new land plots;
- Provide the public with necessary information;
- Regular Communication with local self-government;
- Delivery of compensation and, as needed, implementation and supervision of rehabilitation measures. Cash compensations will be paid on bank transaction account.
- Observe grievance procedures;

<sup>&</sup>lt;sup>8</sup> Responsible person for social aspects from the Environmental and Social Aspects Unit within Development Department and a person from the Legal Department

- Court processing of cases where no agreement is reached;
- Expropriation proceedings through the court, as required;
- Construction of infrastructure (in case resettlement is necessary) and arrangement of relocation of PAPs;
- Prepare quarterly reports and disclose to EBRD
- Commission completion report, and report to EBRD, upon finalization of RAP related activities, as satisfactory implementation of the RAP is a condition for any (physical) works to start.

# 14. Implementation Schedule

PESR is ultimately responsible for the implementation of all aspects of the Resettlement Action Plan. All parties involved in the implementation of the Project, including the Contractors are required to comply with the requirements set out in this document.

The Project Implementation Unit (PIU) contains an experienced social consultant to undertake the socioeconomic surveys, support PESR in the preparation the RAP and support the land acquisition planning (including the consultation with affected parties).

The key activities and timeline for implementation of the RAP is outlined in the below. The timing may alter depending on the procurement of the Project etc. Specific roles of PESR and Contractors are also indicated in this table.

The following implementation schedule covers all resettlement activities from preparation through implementation (phases: pre-construction, construction and operational), including target dates for the achievement of expected benefits to PAPs and hosts and terminating the various forms of assistance. This schedule indicates how the resettlement activities are linked to the implementation of the overall project.

The RAP implementation schedule is described in the following table below.

Table 26 Implementation Schedule

| Task   | Period                        |
|--|-------------------------------|
| RAP Preparation                                | January - September 2018      |
| RAP Disclosure                                 | November 2018                 |
| Draft RAP public discussions and finalization  | May - September 2018          |
| Organizational Preparations                    | December 2017 - December 2018 |
| RAP Implementation and Monitoring              | October 2018 – July 2019      |
| Survey on Livelihood Restoration Effectiveness | August 2019                   |
| Final Completion Report                        | September 2019                |

# 15. Costs and Budgets

A detailed cost of resettlement, with a breakdown by agricultural land, residential land, houses and other assets to be affected is presented in the following table. All costs for resettlement will be funded through PESR funds.

Table 27 Direct Costs for Expropriation

| Compensation Item                       | Total Costs (MKD) 9 |
|---|---------------------|
| Land                                    | 6 003 766           |
| Pastures                                | 1 017 466           |
| Field                                   | 4 444 854           |
| Orchards                                | 23 380              |
| Forest                                  | 129 016             |
| Vineyard                                | 388 380             |
| Stone field                             | 670                 |
| Crops and plants                        | 2 217 306           |
| Wheat                                   | 587 431             |
| Meadow                                  | 133 605             |
| Tobacco                                 | 246 540             |
| Vines                                   | 411 975             |
| Clover                                  | 10 484              |
| Walnut trees                            | 156 240             |
| Apple trees                             | 6 875               |
| Apricot trees                           | 242 500             |
| Pear trees                              | 18 150              |
| Cherry trees                            | 28 000              |
| Pumpkin roots                           | 19 528              |
| Oak trees                               | 113 135             |
| Chery Plum tree                         | 30 550              |
| Almond trees                            | 193 440             |
| Sunflower                               | 18 853              |
| Housing Structures                      | 184 512             |
| TOTAL:                                  | 8 405 584           |
| Addition Deposit for Compensation (10%) | 840 558             |
| Contingency 15%                         | 1 260 838           |
| Grand TOTAL:                            | 10 506 980          |

<sup>&</sup>lt;sup>9</sup> 1 EUR = ca. 62 MKD

# 16. Monitoring and Evaluation

Resettlement activities will be regularly supervised and monitored by personnel of PESR (the PIU). Reporting on internal monitoring will be carried out quarterly by PIU and at the end of each RAP completion. A RAP completion report by an external independent consultant will be submitted to EBRD. Internal monitoring and supervision will:

- (a) verify that the census of all PAPs has been carried out;
- (b) verify that the RAP and baseline survey (as appropriate) has been prepared for Project;
- (c) verify that property valuation and resettlement has been carried out in accordance with the provisions of LARF and the respective RAP;
- (d) oversee that all resettlement measures are implemented as approved;
- (e) ensure that funds for implementing resettlement activities are provided in a timely manner, are sufficient for their purposes, and are spent in accordance with the provisions of the LARF and the respective RAP.

The success of realization of planned resettlement activities will be assessed throughout completion of proposed monitoring indicators which are listed in the following table.

Table 28 Monitoring Indicators

| Indicators  | Frequency of Measurement                     |
|---|--|
| Input indicators  |  |
| Overall spending on compensation, resettlement and livelihood restoration   | Quarterly                                    |
| Number of staff dedicated to resettlement and compensation, with distribution in-house / outsourced (if applicable) | Quarterly                                    |
| Reinstatement of land – number of plots complete  | Quarterly                                    |
| Survey on Livelihood Restoration Effectiveness  | Once, after completion of RAP Implementation |
| Output indicators   |  |
| Number of compensation contracts signed   | Quarterly                                    |
| Number and % of compensation payments completed   | Quarterly                                    |
| Physical Displacement – number of people/households resettled, type of resettlement assistance provided             | Quarterly                                    |
| Number of affected households who experience increase in their income as a result of the land acquisition process   | Once, after completion of RAP Implementation |
| Outcome indicators  |  |
| Number and type of outstanding or unresolved grievances and trends  | Quarterly                                    |

| Average time for payment of compensation  | Quarterly                                    |
|---|--|
| Does compensation represent full replacement cost?                                | Quarterly                                    |
| Use of compensation?  | Quarterly                                    |
| Physical displacement - satisfaction with new homes / assets?                     | Annually                                     |
| Level of effectiveness of the Land Acquisition and Livelihood restoration process | Once, after completion of RAP Implementation |

# 17. Reporting

PESR will maintain a database of the Project Affected Persons (PAPs) (individuals/households/businesses etc.) whose properties have been affected by the Project, and the compensation, resettlement and livelihood restoration measures that have been implemented. This will include information on their vulnerabilities and any specific issues regarding effects on access to their land because of the Project.

The PESR Legal Department will be responsible for regularly updating the database. All information on PAPs, their holdings and their compensation payments and assistance measures will be kept confidential and will not be disclosed publicly.

Using the monitoring framework described in Section 16 of this document, PESR will produce annual reports on the progress achieved with the implementation of the LARF/RAP. These reports will consolidate the information on compensation and resettlement/livelihood restoration measures, consultations, information on negotiations and results, provision of assistance to vulnerable groups, grievance management, etc. PESR will document all meetings and consultations with minutes and photographs, and will submit these to EBRD, together with progress reports.

Information from these reports will be summarised and included in the PESR Annual Environmental & Social Reports, distributed to relevant stakeholders, including EBRD.

# **ANNEXES**



# **Annex 1: Grievance Form**

| Reference No:  |   |
|--|---|
| Name and Surname   |   |
| Contact Information:   | * By Post: Please provide mailing address:  |
| Please note how you like<br>to be contacted (mail,   | * By Phone:   |
| phone, e-mail)   | * By E-mail   |
| Preferred language for   | * [Macedonian] * [Turkish]  |
| communication  | * [Other:]  |
| Date of Grievance  |   |
| Date of Grievance  | * One-time incident/grievance (date)  * Happened more than once (how many times?)  * On-going (currently experiencing problem)  |
|  |   |
|  | * Happened more than once (how many times?)  * On-going (currently experiencing problem)  |
| What would you like to se  | * Happened more than once (how many times?)  * On-going (currently experiencing problem)  ee happen to resolve the problem?   |
| What would you like to se  | * Happened more than once (how many times?)  * On-going (currently experiencing problem)  ee happen to resolve the problem?  Date:                                    |
| What would you like to se  Signature:  Please return this form to  Ms Biljana Lazevska   | * Happened more than once (how many times?)  * On-going (currently experiencing problem)  ee happen to resolve the problem?  Date:  Public Enterprise for State Roads |
| Date of Grievance  What would you like to see  Signature:  Please return this form to  Ms Biljana Lazevska  Tel: + 389 (0)2 3118-044 e  Fax: + 389 (0)2 3220-535 | * Happened more than once (how many times?)  * On-going (currently experiencing problem)  ee happen to resolve the problem?  Date:  Public Enterprise for State Roads |

# Annex 2: Valuation of land in Municipality of Radovish, by zones

Бр. 04/2015 Стр. 13

Службен гласник на општина Радовиш

21.04.2015 год.

самоуправа (Сл. весник на РМ бр. 5/2002), а согласно измените во Законот за даноците на имот (Сл.весник на РМ бр.61/04, 92/07, 102/08, 35/11, 53/11, 84/12 и 188/13), Законот за проценка (Сл.весник на РМ бр.115/10, 158/11, 185/11, 64/12 и 188/14) и член 12 и 13 од Методологијата за проценка на пазарната вредност на недвижниот имот (Сл.весник на РМ бр.54/12, 17/13, 21/13 и 142/14), како и Одлуката за утврдување на вредноста на градежно неизградено и земјоделско земјиште по м2 за подрачјето на општина Радовиш бр.07-1047/1 од 06.07.2011 година, Советот на Општина Радовиш на седница одржана на 16.04.2015 година, донесе

Врз основа на член 36 од Законот за локална

#### ОДЛУКА

За утврдување на просечни купопродажни цени на градежно неизградено и земјоделско земјиште во општина Радовиш

#### Член 1

1.Градежно земјиште

-Централно градско подрачје

I 30H3 ---цена од 2.200,00 до 3.200,00 ден по м2; II зона----просечна цена од 1.400,00 до 2.100,00 ден по м2; III зона--просечна цена од 600,00 до 1.300,00 ден по м2; подрачіе----Вонцентрално градско просечна цена од 300,00 до 500,00 ден по м2; -Приградски населбипр.цена од 500,00 до 800,00 ден по м2; -Села просечна цена од 100,00 до 500,00 ден по м2;

 2.Ниви на оддалеченост од 200 до 500 м од градежен реон на град Радовиш просечна цена од 100,00 до 300,00 ден по м2;

- Ниви на оддалеченост од 200 до 500 м од градежен реон на села на општина Радовиш и ниви кои излегуваат на регионален и магистрален пат просечнацена од 50,00 до 100,00 ден по м2;
- Ниви под систем на наводнување
   ниви 1, 2 и 3 класа-----пр. цена од 35,00 ден по м2;
   ниви 4, 5 и 6 класа-----пр. цена од 30,00 ден по м2;
- 5.Насад под систем на наводнување
   -насад 1,2 и Зкласа -----пр. цена од 70,00 ден по м2;
   -насад 4,5 и 6 класа ----- пр. цена од 60,00 ден по м2;
- б.Ниви во атарот на Дамјан, Сариѓол,
   Смиланци, Супурге, Шиполвица, Шаинташ, Штурово,
   Држанци, Дурутлија, Калаузлија, Каралобаси,

# Private Information



Бр. 04/2015 Стр. 14 Службен гласник на општина Радовиш

21.04.2015 год.

-----пр.цена по 20,00 ден по м2;

- за сите насади со сите класи------пр.цена по 30,00 ден по м2;

7.Пасишта-ливади-

------пр.цена по 20,00 ден по м2;

Шуми------пр.цена по 25,00 ден по м2;
 9.Викенд зона -Штурово,Чешме
Маале,Еренџе,Козбунар,м.в.Река,Смиланци и др.---пр.цена од 50,00 до 200,00ден по м2;
------

Член 2

#### ЦЕНТРАЛНО ГРАДСКО ПОДРАЧЈЕ

Централното градско подрачје се состои од три зони:

Првата зона ја опфаќа левата страна од Кеј 8ми Септември, дел од ул. Гоце Делчев, дел од ул. Јавор, дел од ул. Киро Донев, ул. 6-ти Ноември, дел од ул. Ана Поцкова, дел од ул. Св. Спасо Радовишки до пред Ловен Дом, дел од ул. Партизанска, ул. 1-ви Мај, дел од ул. Ацо Караманов, ул. Самоилова и Бул. Александар Македонски.

Втората зона ја опфаќа левата страна од Кеј 8-ми Септември, дел од ул. Гоце Делчев, дел од ул. Бел Камен, дел од ул. Ана Поцкова.

Левиот дел од ул. 1-ви Мај, ул. Благој Туфанов, ул. Чеде Филиповски Даме и дел од ул. Св. Спасо Радовишки.

Десната страна од Кеј 8-ми Септември, ул. Дане Трајков, дел од ул. Лисец, дел од ул. 11-ти Октомври, дел од ул. 20-та Бригада, ул. Обрад Цицмил, дел од ул. Илинденска, дел од ул. Стоимен Трајков, дел од ул. Мирче Ацев, дел од ул. Стив Наумов, дел од ул. Партизанска, дел од ул. М.М. Брицо, дел од ул. Плачковица, ул. Герас Цунев, дел од ул. Чазманска, дел од ул. В.С. Бато до Илија Алексов.

Дел од левата страна на ул. Илија Алексов, после градинката до нас. Раклиш припаѓа на втора зона.

Третата зона опфаќа дел од ул. Дане Трајков, ул. Михајло Апостолски, дел од ул. Плачковица, ул. Коџа Баир, ул. Шаин Маале, ул. Калузлиска, ул. Видое Смилевски - Бато, дел од ул. Браќа Миладиновци, ул. Ѓорче Петров, до дел од ул. Плачковица и до ул. Илија Алексов.

Дел од ул. Св. Спасо Радовишки до Ул. Индустриска припаѓа на трета зона.

Дел од м.в. Бела Црква, дел од м.в. Чучук Ерик, дел од м.в. Кошко, дел од м.в. Азмок и ТИРЗ Зоната, припаѓаат на трета зона.

Член 3

ПРИГРАДСКИ НАСЕЛБИ -Раклиш Бидејќи границите помеѓу одделни зони се до улиците, се утврдува првиот ред на објекти покрај улиците да припаѓа на повисоката зона.

#### Член 4

Со денот на донесување на предлог одлуката, престанува да важи одлуката бр. 07-1047/1 од 06.07.2011 година.

#### Член 5

Одлуката влегува во сила со денот на донесувањето.

Бр. 08-801/1 16 Април 2015 г. Радовиш Совет на општина Радовиш Претседател Николчо Миовски с.р.

# Private Information

# Annex 3: Brief Presentation of Expropriation Process in Line with National Legislation

#### 1. Proposal for Expropriation

The procedure for expropriation starts with a submission of a 'Proposal for Expropriation' to the 'Expropriation Authority' (i.e. the relevant office in the affected municipality(s) of the Department for Property & Legal Issues in the Ministry of Finance). The Proposal for Expropriation is prepared in this case by PESR and is submitted on behalf of the State (and PESR) by the State Attorney. The Proposal for Expropriation contains the following information:

- The proposer of the expropriation;
- The property for which expropriation is proposed;
- The owner of the property and the holders of other property rights;
- The type of facility of works for which the expropriation is proposed.

A set of accompanying documents have to be provided with the Proposal for Expropriation, including information from the Expropriation Study and land & assets inventory and proof of funds for compensation.

#### 4.2. Affected Owner Appeals

# 4.2.1. Judicial Appeal(s)

An affected owner can choose to submit a judicial appeal to the relevant administrative Court (including a second judicial appeal to the Higher Administrative Court), after who's ruling the decision on expropriation becomes legally binding. The Expropriation Law lists detailed deadlines for administrative Courts to rule on submitted appeals and foresees penalties for not meeting these deadlines.

# 2. Notification of Affected Owners & Invitation to Hearing

Affected owners of properties are individually invited to a hearing and notified about the submission of the Proposal for Expropriation and the proposed compensation amount. At this stage an amicable compensation settlement can be reached and expropriation avoided.

#### 3. Expropriation Decision

If an amicable settlement is not reached and the documentation submitted is in order, a final Expropriation Decision can be passed by the Expropriation Authority, within 20 days of receiving the Proposal for Expropriation. If there is no further (judicial) appeal (see below), the Expropriation Decision also becomes legally binding.

# 4.1. No Appeals

# 5. Hearing on Expropriation Decision

When the Expropriation Decision becomes legally binding, another hearing must to be held by the Expropriation Authority within 8 days to discuss and determine the level of compensation for each affected owner. In case an agreement on the level of compensation is not reached, the case is referred to the Courts to decide, within 8 days of the meeting.

# 6. Payment of Compensation

The Proposer of Expropriation proceeds with the payment of compensation or provision of replacement properties, within 30 days of the signing of a compensation agreement or the decision on compensation becoming legally binding (for delays in payment, interest rates apply)

# Annex 4: Socio-economic Questionnaire

# РЕПУБЛИКА МАКЕДОНИЈА ЈАВНО ПРЕТПРИЈАТИЕ ЗА ДРЖАВНИ ПАТИШТА



\_\_\_\_

# Социо-економско истражување на засегнатите страни од изградба на патот Штип-Радовиш

# ПРАШАЛНИК ЗА ЗАСЕГНАТИ СТРАНИ

Декември 2017



ПРАШАЛНИК ЗА ЗАСЕГНАТИ СТРАНИ

# НАПОМЕНА:

- Податоците од овој прашалник ќе бидат наменети за изработка на документ во кој ќе се анализираат социо-економските последици од реализација на планираниот проект.
- Лични податоци на лицата што го пополнуваат прашалникот нема бидат објавени со цел да не се наруши приватноста на засегнатите лица со овој проект.
- Прашалникот го пополнува само Сопственикот / корисникот на земјиштето.

# Почитувани,

Овој прашалник е дел од истражувањето за степенот на ранливост на лицата и домаќинствата засегнати со овој проект. Со него треба да се идентификуваат проблематичните состојби за да може навреме да се реагира во намалувањето и спречувањето на тие негативните влијанија при реализација на овој проект.

Резултатот од ова истражување ќе биде документот Акционен план за раселување. Истиот ќе биде изработен по стандардите на ЕВРОПСКАТА БАНКА ЗА ОБНОВА И РАЗВОЈ (ЕБОР / EBRD), која во процесот на пристап кон лицата и домаќинствата што ќе изгубат имот или средства за егзистенција при реализација на овој проект изискува целесообразен, темелен и сигурен, пристап поставен на вредности повисоки од националното законодавство.

Нарачател на ова истражување е ЈАВНОТО ПРЕТПРИЈАТИЕ ЗА ДРЖАВНИ ПАТИШТА.

Личните податоци здобиени со ова истражување ќе бидат искористени само во горенаведените цели и документите каде тие ќе бидат регистрирани ќе бидат уништени заклучно со 01.04.2018 година.

Реализатор на истражувањето е БИОС ПРО ДООЕЛ од Скопје.

Искрена благодарност.

ЈАВНО ПРЕТПРИЈАТИЕ ЗА ДРЖАВНИ ПАТИШТА Сашка Богданова Ајцева ул. Даме Груев бр.14, 1000 Скопје Тел: 02/3118-044 saska@roads.org.mk БИОС ПРО ДООЕЛ, СКОПЈЕ Борис Стипцаров 070/607-773 boris@bios-pro.mk





# ЈАВНО ПРЕТПРИЈАТИЕ ЗА ДРЖАВНИ ПАТИШТА <u>ПРАШАЛНИК ЗА ЗАСЕГНАТИ СТРАНИ</u>

| L. Име  | и презиме:   |   | 2. Година на раѓањ   | e:           |         |
|---|--|---|--|--------------|---------|
| 3. Адре   | са на живеење:   |   | 4. Населено место:   |              |         |
| 5. Текої  | вна професија:   |   | 6. Телефон   |              |         |
| 7. Заврі  | шен степен на образование:   |   | 8. Етничка припадн   | юст:         |         |
|   |  | 13  | 9. Религија:   |              |         |
| б. дом  | АКИНСТВО И ЖИВЕАЛИШТЕ  |   |  |              |         |
| 10. Жив   | веам во: (штиклирајте):  |   |  |              |         |
|   | Сопствен/а   | Куќа  | Пов  | ошина (м2)   |         |
|   | Изнајмен/а   | Стан  |  | 141          |         |
|   | rishajimenya   |   | 45   | -            |         |
|   |  |   |  |              |         |
|   | 12. Колку членови во ваш   | ието домаќинство се:  |  | Број на лица | 1       |
|   | 12. Колку членови во ваш<br>Деца во предучилишна во  |   |  | Број на лица |         |
|   | A STATE OF THE PARTY OF THE PAR | эзраст (до 6 години)  |  | Број на лица |         |
|   | Деца во предучилишна во<br>Деца во училишна возрас:<br>Студенти  | эзраст (до 6 години)  |  | Број на лица |         |
|   | Деца во предучилишна во<br>Деца во училишна возраст<br>Студенти<br>Пензионери  | эзраст (до 6 години)  |  | Број на лица |         |
|   | Деца во предучилишна во<br>Деца во училишна возраст<br>Студенти<br>Пензионери<br>Останати  | озраст (до 6 години)<br>т (основно и средно)  | FTO ЛОМАЌИНСТВО  | Број на лица |         |
|   | Деца во предучилишна во<br>Деца во училишна возраст<br>Студенти<br>Пензионери<br>Останати  | озраст (до 6 години)<br>т (основно и средно)<br>РОЈ НА ЛИЦА ВО ВАШ  |  | Број на лица |         |
| 3. ЗЕМЈ   | Деца во предучилишна возраст<br>Деца во училишна возраст<br>Студенти<br>Пензионери<br>Останати<br>ВКУПЕН БІ<br>Издржувани лица (лиц  | озраст (до 6 години)<br>т (основно и средно)<br>РОЈ НА ЛИЦА ВО ВАШ  |  | Број на лица |         |
| Nino-c-ottain   | Деца во предучилишна во Деца во училишна возрас Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц   | озраст (до 6 години)<br>т (основно и средно)<br>РОЈ НА ЛИЦА ВО ВАШ<br>ца со пречки во разво   | , изнемоштени и сл.)   |              | редовно |
| 13. Mc  | Деца во предучилишна возраст<br>Деца во училишна возраст<br>Студенти<br>Пензионери<br>Останати<br>ВКУПЕН БІ<br>Издржувани лица (лиц  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во разво   | , изнемоштени и сл.)  о земјоделско земј                           | иште, од кое | редовно |
| 13. Mc  | Деца во предучилишна во Деца во училишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во разво   | , изнемоштени и сл.)  о земјоделско земј                           | иште, од кое | редовно |
| I3. Мо  | Деца во предучилишна возраст Студенти Пензионери Останати  Издржувани лица (лиц  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен изнајмувам(е)                            | , изнемоштени и сл.)  о земјоделско земј                           | иште, од кое | редовно |
| 3. Мо<br>обрабо<br>4. Зем                               | Деца во предучилишна возраст Деца во училишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц   | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен , изнајмувам(е)                          | , изнемоштени и сл.)<br>о земјоделско земј<br>м2 земјоделско земји | иште, од кое | редовно |
| 3. Mo<br>oбрабо<br>4. Зем                               | Деца во предучилишна возраст Деца во училишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц  иште туваатм2. Дополнително,  јиштето на кое треба да се гради довно го работам секоја година в  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен , изнајмувам(е) и патот: и имам засадено | , изнемоштени и сл.)<br>о земјоделско земј<br>м2 земјоделско земји | иште, од кое | редовно |
| 13. Мо<br>обрабо<br>14. Зем<br>а) Ред<br>б) По          | Деца во предучилишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц  иште туваатм2. Дополнително,  јиштето на кое треба да се гради довно го работам секоја година и времено го работам, на  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен , изнајмувам(е) и патот: и имам засадено | , изнемоштени и сл.)<br>о земјоделско земј<br>м2 земјоделско земји | иште, од кое | редовно |
| обрабо<br>14. Зем<br>а) Ред<br>б) По<br>в) не           | Деца во предучилишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц  иште туваатм2. Дополнително, приштето на кое треба да се гради довно го работам секоја година и времено го работам, на  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен , изнајмувам(е) и патот: и имам засадено | , изнемоштени и сл.)<br>о земјоделско земј<br>м2 земјоделско земји | иште, од кое | редовно |
| 13. Мо<br>обрабо<br>14. Зем<br>а) Ред<br>б) По<br>в) не | Деца во предучилишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц  иште туваатм2. Дополнително,  јиштето на кое треба да се гради довно го работам секоја година и времено го работам, на  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен , изнајмувам(е) и патот: и имам засадено | , изнемоштени и сл.)<br>о земјоделско земј<br>м2 земјоделско земји | иште, од кое | редовно |
| 13. Мо<br>обрабо<br>14. Зем<br>а) Ред<br>б) По<br>в) не | Деца во предучилишна возраст Студенти Пензионери Останати  ВКУПЕН БІ Издржувани лица (лиц  иште туваатм2. Дополнително, приштето на кое треба да се гради довно го работам секоја година и времено го работам, на  | озраст (до 6 години) т (основно и средно)  РОЈ НА ЛИЦА ВО ВАШ ца со пречки во развој  ом2 сопствен , изнајмувам(е) и патот: и имам засадено | , изнемоштени и сл.)<br>о земјоделско земј<br>м2 земјоделско земји | иште, од кое | редовно |





| а) Сопственост на 6) Закуп на земји в) Користење на 6  Г. АКТИВНОСТ И ПР  18. Во моето домана Земјоделска акт Градинарство   | земјиште:<br>ште на кое<br>субвенции<br>ИХОДИ ВО  | ит за (заокружи ДА или НЕ): то на кое ќе се гради патот ќе се гради патот за земјиштето на кое ќе се град  О ДОМАЌИНСТВОТО  остваруваат приходи од следи | ДА I<br>ди патот ДА I | HE<br>HE             |
|--|---|--|-----------------------|----------------------|
| <ul> <li>б) Закуп на земјин</li> <li>в) Користење на с</li> <li>г. АКТИВНОСТ И ПР</li> <li>18. Во моето доман</li> <li>Земјоделска акт</li> <li>Градинарство</li> <li>Овоштарство</li> </ul>   | ште на кое<br>субвенции<br>иходи вс<br>кинство се | ќе се гради патот  | ДА I<br>ди патот ДА I | HE<br>HE             |
| в) Користење на о<br>Г. АКТИВНОСТ И ПР<br>18. Во моето домай<br>Земјоделска акт<br>Градинарство<br>Овоштарство   | убвенции<br>ИХОДИ ВС                              | за земјиштето на кое ќе се град<br>О ДОМАЌИНСТВОТО<br>остваруваат приходи од следн   | ди патот ДА І         | HE                   |
| Г. АКТИВНОСТ И ПР 18. Во моето домай Земјоделска акт Градинарство Овоштарство  | иходи во  | О ДОМАЌИНСТВОТО<br>остваруваат приходи од следн  | 333333435437 186364 0 |                      |
| 18. Во моето доман<br>Земјоделска акт<br>Градинарство<br>Овоштарство   | кинство се  | остваруваат приходи од следн   | ните активности (за   | окружете):           |
| 18. Во моето доман<br>Земјоделска акт<br>Градинарство<br>Овоштарство   | кинство се  | остваруваат приходи од следн   | ните активности (за   | окружете):           |
| Градинарство<br>Овоштарство  | гивност   | Редовни приходи  |                       | - In I was a few     |
| Овоштарство  |   | тедовии приходи  | Бизнис                | Останати приходи     |
| io and a second  |   | Плата  | Трговија              | Сезонска работа      |
|  |   | Пензија  | Услуги                | Приходи од странство |
| Чување стока и живина  |   | Камата   | Производство          | Друго:               |
| Лозарство  |   | Кирија од земјиште   | Друго:                |                      |
| Полјоделство   |   | Кирија од стан/куќа  | 3                     | ## E                 |
| Шумарство  |   | Социјална и слична помош   |                       |                      |
| Друго:   |   | Друго:   |                       |                      |
| 19. Тековно занима   | нье на чле  | новите на домаќинство:   |                       | *                    |
| And the state of t | Занимање  |  | ен За                 | нимање               |
|  |   |  |                       |                      |
| B  |   |  |                       |                      |
| 3  |   |  |                       |                      |
|  |   |  |                       |                      |

Социо-економско истражување на засегнатите страни од изградба на патот Штип-Радовиш



# Annex 5: Images from the Meetings with Affected Parties (People / Legal Entities)

Images 1 & 2: Meeting in Radovish





Image 3 & 4: Meeting in Shtip





Image 5: Meeting in Skopje





# **Annex 6: List of Participants**

Meeting: Skopje





# ЛИСТА НА УЧЕСНИЦИ НА ЈАВНАТА КОНСУЛТАЦИЈА ПО ОДНОС НА ПОСТАПКА ЗА ЕКСПРОПРИЈАЦИЈА ЗА ПРОЕКТ ЗА ИЗГРАДБА НА ДРЖАВЕН ПАТ А4, ДЕЛНИЦА ШТИП-РАДОВИШ

24. ЈАНУАРИ 2017 година (вторинк) – ЈП за државни патишта со почеток во 12.00 часот.

| FEA. | име и презиме                         | ИНСТИТУЦИЈА/<br>ЗАНИМАЊЕ | E-MAIL/KOHTAKT                                | ТЕЛЕФОН        | потпис |
|------|---------------------------------------|--------------------------|---|----------------|--------|
| I.   | Емилија Трајковска                    | ЛП за државни<br>патишта | emilijag@roads.org.mk                         | 078-242-335    |        |
| 2.   | Borro Karosiotiva                     | " LEV. NEAT              | эйстина Аулога                                | ans9999        | - (    |
|      | 3 Craber on Munya                     | PEAZ                     |   | 398-284-800    |        |
| 4.   | KEETH TRADICIONELLI                   | (1EH STEPE P             | Kestateajina skii gi                          | C76<br>448 921 |        |
| 5.   | Koera Xputtut                         | neuguoneja               | Keetaspuritel 45                              | 047-8/c<br>259 | 4      |
| 6.   | PLOTO FORESPORTED IN COSTA PROPERTY - | res por une              | risto. andrewowe the one rose ing a robe one. | ्रा उउस वर्ष   | - P    |



Република Македонија Јавно претпријатие за државни патишта

| PRД.<br>БР. | име и презиме                                | ИНСТИТУЦИЈА/<br>ЗАНИМАЊЕ | E-MAIL/KOHTAKT            | ТЕЛЕФОВ        | потпис |
|-------------|--|--------------------------|---------------------------|----------------|--------|
| 7.          | Conjet Copaliones                            | HOLYWHOD                 | SISHO SIRAMANDO JAJOSENIA | 2017           |        |
| 8.          | Kunetewa<br>Lawery Go<br>Kawerne Kodeno-idon | UK4300493                | Katernax pogranica        | che 368 92     |        |
| 9.          | ( 84 CTO/4E TACE 23)                         | ASIN PHICE               | styleasure Construct      | 041/22513      | e e    |
| 10.         | Линитрине Штерров                            | Пензионер                |                           | 076/423 435    |        |
| 11.         | JAHRO LUTEPSOS<br>CUNDAUN SOLEBA KOP         | пензионер<br>4 )         | Wikicadodev & hornale.com | 975/239        | 4      |
|             | METOP<br>LOMOSETOB                           | UHB.                     |                           | 075<br>742-767 |        |
| 13.         |  |                          | - Alife                   |                |        |
| 14          |  | 16/1/                    | MILL                      |                |        |



# Meeting: Shtip



Република Македонија Јавно претпријатие за државни патишта



# ЛИСТА НА УЧЕСНИЦИ НА ЈАВНАТА КОНСУЛТАЦИЈА ПО ОДНОС НА ПОСТАПКА ЗА ЕКСПРОПРИЈАЦИЈА ЗА ПРОЕКТ ЗА ИЗГРАДБА НА ДРЖАВЕН ПАТ А4, ДЕЛНИЦА ШТИП-РАДОВИШ

20. ЈАНУАРИ 2017 година (петок) – Општина Штип со почеток во 12.00 часот.

| PEA<br>BP. | име и презиме    | ИПСТИГУЦИЈА/<br>ЗАНИМАЊЕ | E-MAIL /KOHTAKT         | ТЕЛЕФОН     | потпис |
|------------|------------------|--------------------------|-------------------------|-------------|--------|
| 1.         | Елена Таковска   | ЛП за државни<br>патишта | e.takovska@roads.org.mk | 078-242-319 |        |
| 2.         | Tupe Sope Idased |                          |                         | CD2239X3    |        |
| 3.         | Bosnels Kanows   |                          |                         | 078 645     | -014   |
| 4.         | Trattel Tope     |                          |                         | 67197034    | 2      |
|            | Tobauch Fore     |                          |                         | 078-617-52  | 4      |
| 6.         | KACTEB TRAJE     | 16/16                    |                         | 071-861-6   | 52     |
|            | Trace 6 Poptu    |                          | 11 // // 838            | 048-210-17  | 3      |
| 6          | RUMO 650G.       |                          |                         | 027848      | 52800  |

| - 2 | A  | 100 |
|-----|----|-----|
| - 4 | 50 | 80  |
| ĕ   | ø  | 鳗   |
| - 1 | s  | 97  |

Република Македонија Јавно претпријатие за државни натишта

| BP. | име и презиме   | ИНСТИТУЦИЛА/<br>ЗАВИМАЊЕ | E-MAIL/KOHTAKT | ТЕЛЕФОН                    | потинс |
|-----|-----------------|--------------------------|----------------|----------------------------|--------|
| 7.  | TPAJ40 700 OPOR |                          |                | 032-309-025<br>078-388-856 |        |
| 8.  | TONG ITETPOR    |                          |                | 020 264346                 |        |
| 0.  | Сйена Сйојонова |                          |                | 078-66-423                 | 4      |
| _   | AGUC BE PURUS   | 7                        |                | 07640791                   | 2      |
|     | doc Marzoda     |                          |                | 045 537103                 | 3      |
|     | House b chotro  |                          |                | 077752 034                 |        |
| 13. | Spore found     |                          |                | O78-392899                 | d. F   |
| 0   | Epinol Temp     |                          |                | 028-309                    |        |
| 78  | 623 260         |                          | 11/1/18        | \$660 HOB M                |        |





# Република Македонија Јавно претпријатие за државни патишта

| РЕД.<br>БР. | име и презиме                    | ИНСТИТУЦИЈА/<br>ЗАНИМАЊЕ | E-MAIL /KOHTAKT          | ТЕЛЕФОН              | потпис |
|-------------|----------------------------------|--------------------------|--------------------------|----------------------|--------|
| 15.         | Energabetto<br>Wapazua yober     |                          |                          | 078409372            |        |
| 16.         | Tipejanobei<br>Cuziana           |                          |                          | 071277742            |        |
| 17.         | Chunkob<br>Bace                  |                          |                          | 077-833-769          |        |
| 18.         | Dowell<br>Haro                   |                          |                          | 071/542-408          | ' F    |
|             | Ney & Juno                       |                          |                          | 045/2 <b>90</b> -023 |        |
| 20.         | Lyx06 Sujanze<br>Jowela Bornenan |                          |                          | 020/210-414          |        |
| 21.         | Jouela Borneran                  | 112                      |                          | 010/287-061          |        |
| 22.         | Николя Ганев                     | MIK                      | nikolapaner Eyahor co uk | 020-504-             |        |

|     | -   |    |  |
|-----|-----|----|--|
| · A |     | ь. |  |
| ж   |     | ж. |  |
| a   |     | 8  |  |
| - 7 | هدي | w  |  |

# Република Македонија Јавно претпријатие за државни патишта

| P.    | име и презиме           | ИНСТИТУЦВИА/<br>ЗАПИМАЊЕ | E-MAIL /KOHTAKT | ТЕЛЕФОН     | потпис |
|-------|-------------------------|--------------------------|-----------------|-------------|--------|
| 23.   | LOVICE                  |                          |                 | 612.23      |        |
| 24 E  | ВАНГО КЕРТАКОВ          |                          |                 | 072 520-565 | -      |
| 25. A | opuje Kepitoroh         |                          |                 | 092 520-565 | 7      |
| 26. C | эшко Стојанов           |                          |                 | 070/324-431 |        |
| 27.   | Kowa 12 11 a<br>Francis |                          |                 | 608-741     |        |
| 28.   | JURYHUCOB               |                          |                 | 076-2517.50 |        |
| _     | ESSELOV                 |                          |                 |             |        |
| 30.   | met<br>Mis Menis        | 1600                     |                 |             |        |





# Република Македонија Јавно претпријатие за државни патишта

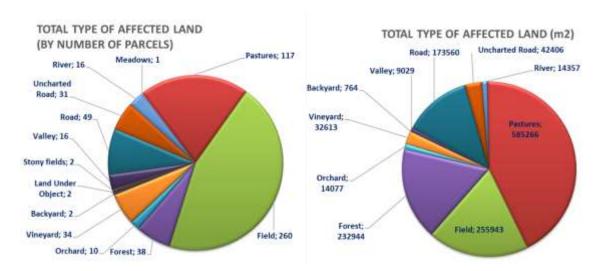
| РЕД.<br>БР. | име и презиме   | ИНСТИТУЦИЈА/<br>ЗАНИМАЊЕ | E-MAIL /KOHTAKT | телефон        | потпис |
|-------------|-----------------|--------------------------|-----------------|----------------|--------|
| 31,         | Koye 6<br>Braho |                          |                 | 078<br>605-540 |        |
| 32.         | cupausseus      |                          |                 | 208-184        |        |
| 33,         | Thopopul        |                          |                 |                | P      |
| 34,         | MAAG DOG        |                          |                 | 040<br>507026  |        |
| 35.         | Ky Procest 8    |                          |                 | 070_           |        |
|             | Lenger Lenger   |                          |                 | 1              | عر     |
| 37.         | COSKrOST        | 116                      |                 | -              | 5 1)   |
| 38          | Tymela Josto    | 1811                     |                 |                |        |

# **Annex 7: Additional Elaborations on Expropriated Land**

# Impact on Land

As it is visible from Figure A below, the fields are prevailing as affected number of parcels with 45% of the total number of parcels, followed by pastures with 20%. In terms of land quantities, this project requires expropriation of private land with pastures reaching 43% of the total necessary privately-owned land. The following three figures (A, B and C) presents the total affected land by type, by ownership, number of parcels and area.

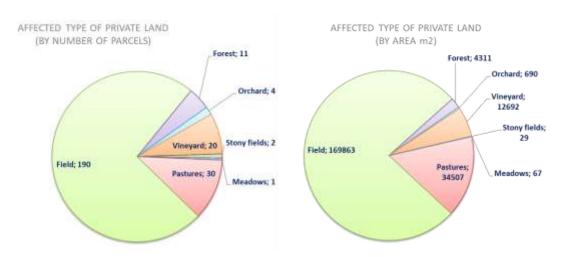
Figure A: Total number of parcels and area that will be acquired for this Project



Privately owned land that will be acquired for the purpose of this project is highly arable land, where fields prevail with three quarters of total private land in both cases. Some 74% of the total number of private plots has been registered as field, followed by pastures (12%) and vineyards (8%). In terms of affected area, some 76% of the total private area to be acquired are fields, followed by pastures (16%) and some vineyards (6%).

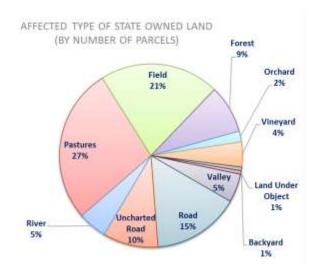
In cadastral municipality of Damjan, the biggest impact to 80 (of104) parcels are fields with total area of 73,667m<sup>2</sup>, while in Radovish von grad there are42 impacted fields (of 57 affected parcels), with 15,304m<sup>2</sup>.

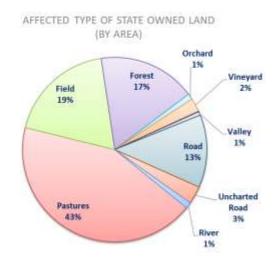
Figure B: Total number of private parcels and area that will be acquired for this Project



Referring to the affected area of state-owned land, pastures are prevailing type of state-owned land that will be expropriated, comprising some 43% of the total state-owned affected land and followed by fields (19%), forest (17%) and both types of road (16%=uncharted 3% + registered roads 13%).

Figure C: Total number of government owned parcels and area that will be acquired for this Project



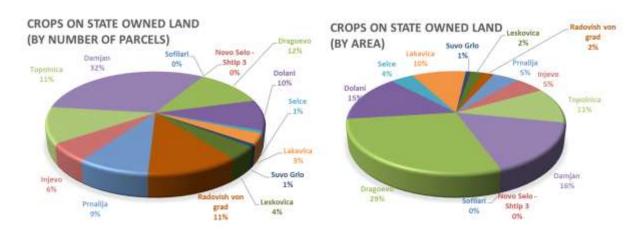


# **Impact on Crops**

Almost half of the total area of land (48.2%) is under wheat, of which two thirds is grown on state-owned land (one third is located in the cadastral municipality of Dragoevo), and one fifth is grown on a private land, all located in the Cadastral Municipality of Damjan. Meadows occupy one quarter (24,6%) of the land with crops and the major part (3/4) is assessed to be on private land (in Damjan, Lakavica and Leskovica). Orchards and vineyards occupy 8% (each) of assessed land with crops, with dominant being part set on the state-owned land.

The following figures (D and E) illustrate the participation of each affected cadastral municipality in the figures of assessed land with crops by number of parcels and by area on a private and state-owned land under crops.

Figure D: Share of active crops on state's parcels, by Number of Parcels, Area Affected and Cadastral Municipality



In both cases (private and state-owned land) the number of affected parcels in Damjan prevails over other cadastral municipalities.

Figure E: Share of active crops on private parcels, by Number of Parcels, Area Affected and Cadastral Municipality

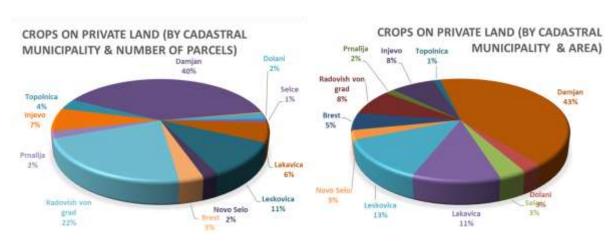
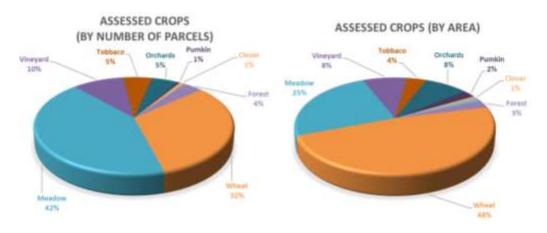


Figure F provides visual presentation of the crops being present at the Cut-off date (19.07.2016) on both, state-owned and private land, by number of parcels and by affected area.

Figure F: Share of active crops on affected parcels, by Cadastral Municipality by Number of Parcels, Area Affected and Cadastral Municipality



# Annex 8: Additional details on land use patterns by the interviewed sample of affected land owners

The following table gives overview of the state of arable agricultural land that the interviewed households have in their possession. This gives insight into the quantity of land that each of the affected category of households own, divided by location of residence.

Table: Privately owned area of agricultural land (in m2)

| Privately owned area of agrciultural land (in m2) | 1000-<br>4999 | 5000-<br>9999 | 10000-<br>19999 | 20000-<br>34999 | 35000-<br>49999 | 50000-<br>99999 | over<br>100000 | No<br>Answer | Total |
|---|---------------|---------------|-----------------|-----------------|-----------------|-----------------|----------------|--------------|-------|
| Rural part of the Project area                    | 3             | 3             | 7               | 9               | 1               | 0               | 0              | 1            | 24    |
| Urban part of the Project area                    | 49            | 13            | 16              | 3               | 3               | 3               | 2              | 1            | 90    |
| Abroad  | 0             | 0             | 0               | 0               | 1               | 0               | 0              | 0            | 1     |
| Other Urban Settlements                           | 0             | 0             | 0               | 1               | 0               | 0               | 0              | 0            | 1     |
| Total   | 52            | 16            | 23              | 13              | 5               | 3               | 2              | 2            | 116   |

There are 52 households that own arable land with area 1,000-4,999 m<sup>2</sup>, of which 49 are urban residing households. Better part (16 of 24) of the households living in the rural area own between 10,000 and 35,000 m<sup>2</sup> arable agricultural land, whilst better part (62 of 90) of the households residing in the urban area owns up to 10,000m<sup>2</sup> (1ha). This data, in fact, draws the outlines of the livelihood patterns of PAPs.

Accurate land use patterns are provided in the following table, where the exact amount of used land is presented. For the households living in rural areas, there are no significant changes in the owned area of land and used area of land. But, for the households residing in the urban settlements, there is significant change that can be seen in the number of unused parcels 39, which comprises 43% of all privately-owned agricultural land.

Table: Used privately-owned area of agricultural land, in m2

| Used privately owned area of   | Unused   | 1000- | 5000- | 10000- | 20000- | 35000- | 50000- | over   | No     | Total |
|--------------------------------|----------|-------|-------|--------|--------|--------|--------|--------|--------|-------|
| agrciultural land (in m2)      | own land | 4999  | 9999  | 19999  | 34999  | 49999  | 99999  | 100000 | Answer | IUlai |
| Rural part of the Project area | 0        | 4     | 3     | 6      | 9      | 1      | 0      | 0      | 1      | 24    |
| Urban part of the Project area | 39       | 27    | 8     | 11     | 1      | 1      | 2      | 0      | 1      | 90    |
| Abroad                         | 1        | 0     | 0     | 0      | 0      | 0      | 0      | 0      | 0      | 1     |
| Other Urban Settlements        | 1        | 0     | 0     | 0      | 0      | 0      | 0      | 0      | 0      | 1     |
| Total                          | 41       | 31    | 11    | 17     | 10     | 2      | 2      | 0      | 2      | 116   |

The level of use of privately-owned land by the interviewed households is presented on the following table. Only half of the interviewed households are completely using the land they own, whilst some 35% are not using their land at all. Some 33.6% of 35% are living in the urban area.

Table: Unused share of Privately-owned Agricultural Land

| Used privately owned area of agrciultural land (in %) | 0% | 1 - 19% | 20-39% | 40-59% | 60-79% | 80-99% | 100% | No Answer | Total |
|---|----|---------|--------|--------|--------|--------|------|-----------|-------|
| Rural part of the Project area                        | 0  | 1       | 1      | 1      | 0      | 0      | 20   | 1         | 24    |
| Urban part of the Project area                        | 39 | 4       | 6      | 0      | 2      | 0      | 38   | 1         | 90    |
| Abroad  | 1  | 0       | 0      | 0      | 0      | 0      | 0    | 0         | 1     |
| Other Urban Settlements                               | 1  | 0       | 0      | 0      | 0      | 0      | 0    | 0         | 1     |
| Total   | 41 | 5       | 7      | 1      | 2      | 0      | 58   | 2         | 116   |