2026

Land Acquisition & Resettlement Action Framework

Climate Resilience in Water Management Project (CRWMP) (P514927)

Version 2

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1 Summary

This document constitutes the Land Acquisition & Resettlement Action Framework (LARAF) for the Climate Resilience in Water Management (CRWMP or the Project), planned to be co-financed by the World Bank and Central European Bank *CEB). The LARAF sets out the principles and procedures that the Investor — the State Water Management Authority (Polish Waters) — applies when preparing detailed Land Acquisition & Resettlement Action Plans (LARAPs) for individual investment tasks in managing project-related land acquisition or restrictions on land use, physical displacement (relocation, loss of residential land, or loss of shelter), economic displacement (loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood).

The LARAF applies to those Project Components — comprising both physical investments (construction works) and associated non-physical/institutional activities — that give rise to impacts falling under the World Bank's Environmental and Social Standard (ESS)5 and Polish law governing land acquisition and involuntary resettlement. The scope of the Project includes, inter alia, measures aimed at increasing flood storage in the Upper and Middle Vistula River Basin, including the preparation and construction of the Przykop side polder, as well as analyses and—depending on their results—further preparatory work concerning other potential flood storage solutions. The Project also includes the construction of the Kamieniec Ząbkowicki reservoir and infrastructure investments in the Biała Lądecka catchment, which forms part of the Nysa Kłodzka River Basin. A detailed description of all Project components is provided in Chapter 5.

The LARAF is a framework document. The investor has not yet determined the final spatial scope and land acquisition-related impacts of specific investments to be implemented. This information will be collected and analyzed during the preparation of individual LARAP documents for each investment component as they are prepared.

Implementation of the Project Components may require permanent or temporary land acquisition or restrictions in land use. The Project may result in two types of resettlement. Physical displacement refers to relocation, loss of residential land, or loss of shelter. Economic displacement refers to loss of land, assets, or access to assets, leading to loss of income sources or other means of livelihood, affecting Project-Affected Persons (PAPs) regardless of whether they are physically relocated.

The LARAF is based on three legal pillars: World Bank requirements specifically ESS5, European Union regulations, and Polish law — in particular, the Special Act on Flood Protection and the Act on Real Estate Management. A gap analysis was conducted to assess the compliance of Polish law with ESS5 requirements (see Section 6.4), identifying areas of material compliance as well as areas of specific gaps. This applies in particular to: the scope of compensation for persons without formal legal title, the approach to restoring livelihoods, and the obligation to prepare a comprehensive resettlement plan. For each identified gap, Section 6.4.2 sets out corrective measures, which are detailed and implemented at the level of individual LARAPs.

The overarching principle of LARAF is to actively seek to avoid or minimize resettlements. The process for avoiding and minimizing resettlement — including the analysis of alternatives during the design phase — is described in Chapter 9. The investor follows a hierarchy of measures: avoidance, minimization, mitigation, and compensation. If resettlement is unavoidable, PAPs receive compensation equal to the full replacement cost of lost assets, and where needed, support to restore or improve their livelihoods.

The PAPs eligible for compensation are individuals, households, and business entities that, as a result of the Task's implementation, experience physical and/or economic displacement as defined under ESS5 — namely relocation, loss of residential land, or loss of shelter (physical displacement), or loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood (economic displacement). Eligibility for compensation is not dependent upon holding a formal legal title to plots. The cut-off date for eligibility is the date on which the IPIP or RIIP (Investment Implementation Permit - a decision issued under the special flood control act and Road Investment Implementation Permit) decision becomes final (or, where the decision is declared immediately enforceable, the date such enforceability is declared). The risk of opportunistic claims arising between public knowledge of the project site and the issuance of the IPIP decision is mitigated by a statutory freeze mechanism under the Special Act on Flood Protection, effective from the filing of the IPIP application, as further discussed in Chapter 6.3.3. of this LARPF, and enumeration of PAPs both formal and informal prior to that date The LARAF will guide the Investor with preparation of a site- or component-specific LARAP for each investment Task or component with land acquisition or land restriction impacts.

The LARAP represents the site or component -specific application of the principles, eligibility criteria, entitlements, and implementation arrangements established in the LARAF. While the LARAF provides the overarching policy framework and sets out generic approaches to anticipated land acquisition and resettlement scenarios, the LARAP translates these provisions into concrete measures applicable to the specific Project Affected Persons (PAPs), land parcels, and impacts identified for the specific site

In preparing the LARAP, each affected household and impact is assessed individually through detailed socio-economic surveys, census data, asset inventories, and consultations. This process enables the specific circumstances, vulnerabilities, livelihood dependencies, and nature of impacts associated with each case to be fully understood. Based on this assessment, the entitlement provisions established in the LARAF are applied, combined, or, where justified by the particular circumstances of the case, supplemented with additional measures necessary to ensure that the objectives and requirements of ESS5 are fully achieved.

If implementation of land acquisition reveals circumstances, impact categories, or entitlement situations that were not anticipated or addressed in the LARAF, and where additional measures are necessary to achieve substantive compliance with ESS5, the LARAF shall be updated accordingly. Any such amendments shall be prepared and submitted for the World Bank's prior review and approval before the relevant measures are implemented.

All compensation or corrective measures related to physical displacement must be completed prior to the Investor's formal acquisition of the land.

The Investor — PGW (State Water Management Holding) Polish Waters — is responsible for implementation of the LARAF through preparing and implementing the LARAP, acting through the relevant Project Implementation Units (PIUs) established within RZGW (Regional Water Management Authority) Warszawa, RZGW Kraków, RZGW Rzeszów, and RZGW Wrocław. Where implementation of the LARAP requires the involvement of institutions outside the PGW Wody Polskie structure in carrying out LARAP-related tasks such institutions shall be formally bound to the relevant obligations through contractual arrangements concluded with PGW Wody Polskie. Different arrangements apply to entities responsible for Associated Facilities, where PGW Wody Polskie may have limited or no contractual relationship: in such cases, PGW Wody Polskie shall seek to establish coordination arrangements with the responsible entity to the extent of its legal

and practical influence, and shall document and disclose to the World Bank any material limitations on that influence.

The Project Coordination Unit oversees LARAP's compliance with ESS5 requirements, as well as applicable national and EU legal requirements.

2 Definitions

Concept	Definition
5% Bonus	An additional payment equal to 5% of the value of the plot or the right of perpetual usufruct, payable to the current owners of the plot or perpetual usufructuaries who surrender the plot by the deadline specified in Article 21(7) of the Special Act on Flood Protection/ Article 18 of the Special Road Act. The additional payment is dependent upon the timely transfer of the plot; it does not constitute transitional support and does not affect PAP's right to appeal the amount of compensation.
Cut-off date	The final date of the IPIP or RIIP decision, in accordance with the applicable procedure for implementing the Task. If the decision is declared immediately enforceable, the cut-off date is the date on which such enforceability is declared. Upon the expiration of this date, the PAP list of those eligible for compensation and assistance is closed. The cut-off date is intended to identify and register all persons residing in the area covered by the Task, along with their property, the manner in which the plots are used, and their rights—regardless of whether they hold formal legal titles—as well as to ensure that persons affected by the Task receive compensation at the replacement cost. As of the cut-off date, the list of persons eligible for compensation and support is closed. Heirs and other legal successors of persons who held rights prior to the cut-off date retain those rights. Persons who settle within the Task area, construct structures there, or begin using the land after the cut-off date are not eligible for compensation. The surveys needed to finalize the list of PAPs shall be completed prior to the cut-off date, with the possibility of updates prior to the commencement of works, to ensure that PAPs' status and entitlements remain contemporary. The cut-off date will be made public and communicated directly to the affected community during public consultations in accordance with the relevant procedures.
Stakeholders	Individuals, groups, or institutions that: (a) are affected or may be affected by the project (project-affected parties), including PAPs, local communities, and vulnerable groups; or (b) may have an interest in the project (other stakeholders), including public authorities, non-governmental organizations, and the general public.
Replacement Cost	The value of assets sufficient to replace lost property and cover the associated transaction costs. For land: the market value prior to expropriation plus transaction costs. For buildings: the cost of reconstruction to an equivalent standard. Where the market value equals the replacement cost—as a result of the principle of benefit applicable in Poland—the market value is taken as the basis for compensation. Planned compensation rates may require updating in project areas where inflation is high or where the period between the calculation of compensation rates and the delivery of compensation is extensive, to ensure that compensation continues to reflect replacement cost.
Entitlement Matrix	Range of measures comprising compensation, income restoration, transitional assistance, income substitution, and relocation which are due to PAPs, depending on the nature of their losses, to restore their economic and social base.
Forced eviction	Permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection, including all applicable procedures and principles in the ESS 5.
Significant Impact	An impact classified under at least one of the following categories: (1) physical displacement, (2) economic displacement, (3) loss of access to strategically important resources. Classification as a significant impact does not affect a PAP's eligibility for compensation and assistance under ESS5; it is used as an operational category to determine eligibility for enhanced assistance and livelihood restoration measures, in

Concept	Definition
	addition to the compensation and support to which the PAP is entitled regardless of this classification.
Project Affected Person	Any natural person, household, legal person or organizational unit without legal personality which, as a result of the implementation of the Task, is affected by the loss on a permanent or temporary basis, an impact involving the loss or restriction of: ownership or other real rights to property, access to property or resources, or their place of residence or place of business/agricultural activity regardless whether formal or informal.
Habitation Easement	A personal easement, established pursuant to Articles 301–302 of the Polish Civil Code, entitling a specified natural person to occupy and use a dwelling, or a designated part of a dwelling, belonging to another person, together with the right to make use of the rooms and installations intended for common use by the occupants of the building. The right is personal in nature, is extinguished upon the death of the entitled person, and — unless otherwise agreed — is neither transferable nor inheritable.
Life Tenant	A natural person entitled, under an agreement for life maintenance concluded pursuant to Article 908 of the Polish Civil Code, to use a specific part of a residential building or other structure and to other benefits specified in that agreement, in exchange for the transfer of ownership of the property.
Project	The Climate Resilience in Water Management Project (CRWMP), funded by the World Bank and implemented by PGW Polish Waters, comprises a number of components and tasks, under which specific investment projects related to flood protection and increasing resilience to climate change are carried out.
Economic Displacement	Loss of access to productive resources, sources of income, or means of livelihood, even if the person does not have to physically change their place of residence. The following are considered particularly significant: loss of agricultural land ≥ 10% of income-generating area, disruption of economic activity resulting in a decline in revenue of ≥ 20% or downtime > 3 months. These thresholds reflect the practical limits of a PAP's capacity to absorb losses independently: a loss of agricultural land below 10% can typically be offset through more intensive cultivation of the remaining area or additional wage labour, whereas losses above this level structurally disrupt the household's production base. A revenue decline of 20% typically eliminates the net margin of small and medium enterprises, forcing the owner to cover fixed costs from personal reserves. A disruption exceeding 3 months corresponds to the minimum time required to fully relocate a business — dismantling and transporting equipment, adapting new premises, obtaining technical clearances, and informing customers — beyond which the risk of permanently losing the customer base to competitors becomes significant. Classification as a significant impact does not affect a PAP's eligibility for compensation and assistance under ESS5; it is used as an operational category to determine eligibility for enhanced assistance and livelihood restoration measures, in addition to the compensation and support to which the PAP is entitled regardless of this classification.
Physical displacement	A situation in which individuals must leave their current place of residence as a result of the implementation of the Task.
Replacement cost	The value of assets sufficient to replace lost property and cover associated transaction costs, determined without applying depreciation. For land: pre-displacement market value plus transaction costs. For structures: cost of rebuilding to equivalent standard without depreciation. Where market value equals replacement cost, as demonstrated under the principle of benefit applicable in Poland, market value is used as the basis for compensation.
Remnant	The remaining part of a plot that, as a result of partial expropriation for the purposes of the Task (pursuant to an IPIP decision), is no longer suitable for its previous use. If the remaining plot constitutes the PAP’s place of residence or source of livelihood, and continued use of it is no longer possible, that person may be considered physically or economically displaced within the meaning of the above definition.
Immediate enforceability	A clause attached to the IPIP decision by the first-instance authority, resulting in the decision being enforceable before it becomes final—i.e., before any appeals are considered. If the decision is made immediately enforceable, the investor may carry out land acquisition before any appeal is resolved. However, the Contractor may not enter any plot of land until the PAP at least a 70% advance payment of the compensation amount specified in the appraisal report has been made available to the PAP. The physical displacement of the PAP must be completed before the Contractor physically

Concept	Definition
	takes possession of the plot, and the full compensation is paid or made available to the PAP.
Subtask	A specific investment carried out as part of the Project, constituting a separate organizational and material unit within the structure of a Component and/or Task. A Subtask encompasses a construction project or other environmental intervention, including land transformation or a change in land use, carried out by a specific contractor in a designated area. Under this LARAF, individual Subtasks constitute the basic unit of reference for planning and implementing activities related to land acquisition and resettlements.
Restrictions on land use	Refers to limitations or prohibitions on the use of agricultural, residential, commercial, or other land that is directly introduced and put into effect as part of the project. These may include restrictions on access to legally designated parks and protected areas, restrictions on access to other common property resources, restrictions on land use within utility easements, or safety zones.
Transitional Allowance	Time-limited financial assistance covering the period from the date of loss of access to the acquired land until the documented resumption of production activities or the restoration of living conditions at the new location. The amount of assistance is determined on a case-by-case basis based on the opinion of a property appraiser.
Voluntary agreement	An agreement entered into on the basis that: (a) functioning land markets exist; (b) the transaction has taken place with the owner's informed consent; (c) the owner was aware that it was possible to refuse to sell, and would not be subject to compulsory acquisition; and (d) the owner was paid a fair price based on prevailing market values.
Negotiated settlement	The acquisition of land or restriction of land use required for Project purposes through a mutually agreed arrangement between the Investor and the affected landowner or land user, as an alternative to immediate expropriation or compulsory acquisition. The Investor undertakes negotiations in good faith to reach a fair and mutually acceptable agreement, with the objective of avoiding the time, costs, and administrative or judicial procedures associated with compulsory acquisition. Unlike a voluntary market transaction, where the landowner has the unrestricted right to refuse to sell without the threat of compulsory acquisition, a negotiated settlement takes place in circumstances where it is understood, through legal notice or other means, that the Investor may proceed with expropriation or another compulsory acquisition mechanism if negotiations do not result in an agreement. Accordingly, while the terms of acquisition are negotiated, the landowner does not have the option to retain the land if the Task proceeds. Negotiated settlements remain subject to the requirements of ESS5, to ensure that the process is fair, transparent, free from coercion, and that affected persons receive compensation and assistance consistent with the objectives of ESS5.
Voluntary market transaction	A voluntary, legally recorded market transaction in which the seller is given a genuine opportunity to retain the land and to refuse to sell it, and is fully informed about available choices and their implications. Voluntary market transactions are not subject to ESS5, except where they may result in the displacement of persons other than the seller who occupy, use, or claim rights to the land in question, in which case ESS5 applies. Given that Project Tasks related with building new infrastructure require land for a specific, fixed location necessary for flood protection purposes, land acquisition under this LARAF is expected to proceed as a negotiated settlement rather than as a voluntary market transaction

3 List of Abbreviations

Abbreviation	Full form
ARiMR	Agency for Restructuring and Modernization of Agriculture
CAP	Common Agricultural Policy
CJEU	Court of Justice of the European Union
CLO	Community Engagement Officer
DEC	Decision on Environmental Conditions
EAFRD	European Agricultural Fund for Rural Development
EC	The European Community (as referred to in directives prior to the Treaty of Lisbon)
EFRG	European Agricultural Guarantee Fund
EIA	Environmental Impact Assessment
EIA Act	Act of October 3, 2008, on Access to Information on the Environment and Its Protection, Public Participation in Environmental Protection, and Environmental Impact Assessments
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework (World Bank)
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standard(s)
ESS1	Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts
ESS2	Environmental and Social Standard 2: Labor and Working Conditions
ESS4	Environmental and Social Standard 4: Community Health and Safety
ESS5	Environmental and Social Standard 5: Land Acquisition, Land Use Restrictions, and Involuntary Resettlement
ESS10	Environmental and Social Standard 10: Stakeholder Engagement and Disclosure
EU	European Union
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
GRM	Grievance Redress Mechanism
Investor	State Water Management Authority "Polish Waters" Regional Water Management Directorate
IPIP	Investment Implementation Permit (a decision issued under the special flood control act)
KOWR	National Center for Agricultural Support

Abbreviation	Full form
KPA	Act of June 14, 1960—Code of Administrative Procedure
KRUS	Agricultural Social Insurance Fund
KZN	National Land Fund
LARAF	Land Acquisition & Resettlement Action Framework
LARAP	Land Acquisition & Resettlement Action Plan
NSA	Supreme Administrative Court
OPS	Network Reconstruction Obligation
PAP	Persons Affected by the Project
PCU	Project Coordination Unit
PGW WP	State Water Management Holding "Polish Waters"
PIU	Project Implementation Unit – State Water Management Authority "Polish Waters" Regional Water Management Directorate in Wrocław, Kraków, Rzeszów, and Warsaw
RDOŚ	Regional Director for Environmental Protection
Regulation of the Ministry of Development and Technology of 2023	Regulation of the Minister of Development and Technology of September 5, 2023, on plot valuation
REMA	Act of August 21, 1997, on Real Estate Management
RIIP	Road Investment Implementation Permit
RP	Republic of Poland
RZGW	Regional Water Management Authority
SEA	Strategic Environmental Impact Assessment
SEP	Stakeholder Engagement Plan
SN	Supreme Court
SP	State Treasury
Special Act on Flood Protection / SAFP	Act of July 8, 2010, on Special Rules for the Preparation and Implementation of Projects Concerning Flood Control Structures
Special Road Act / SRA	Act of April 10, 2003, on Special Rules for the Preparation and Implementation of Public Road Projects
TO	Permanent Restrictions on the Use of Property
Water Law	Act of July 20, 2017, Water Law
WSA	Provincial Administrative Court

4 Introduction

4.1 Objectives and Scope of the LARAF

This LARAF was developed for the CRWMP, which is planned to be co-financed by the International Bank for Reconstruction and Development (Hereinafter referred to as: the World Bank. The main objective of this document is to define the rules and procedures that will be applied during the preparation of detailed LARAPs within the Project.

The principles and guidelines contained in this LARAF apply to Component 1 and 2, the implementation of which involves the need to acquire land and may result in physical or economical displacement of individuals and entities affected by the Project.

The principles and guidelines contained in this LARAF also apply to any Associated Facilities identified in connection with the Project. For the purpose of ESS5, the term "Associated Facilities" means facilities or activities that are not funded as part of the Project and are: (a) directly and significantly related to the Project; (b) carried out, or planned to be carried out, contemporaneously with the Project; and (c) necessary for the Project to be viable and would not have been constructed, expanded, or conducted if the Project did not exist. Facilities or activities need not occur in precisely the same period as the Project to be considered contemporaneous, provided they occur within the period from Project identification to Project completion. Shall such Associated Facilities be identified, the Investor shall ensure that their land acquisition process fully complies with the principles of this LARAF and World Bank requirements.

Where an Associated Facility is implemented by an entity other than PGW Polish Waters, PGW Polish Waters shall, to the extent of its legal and practical influence over that entity or the relevant approval or coordination processes, seek to establish coordination arrangements— formalized, where feasible, through a memorandum of understanding or other inter-institutional agreement— aimed at promoting alignment with the principles of this LARAF and ESS5, to the extent consistent with the statutory procedures governing that entity's own land acquisition process. Where the responsible entity's land acquisition is governed by a separate statutory regime that PGW Polish Waters has no legal means to modify, or where PGW Polish Waters otherwise has limited influence or control, PGW Polish Waters shall document this limitation and the associated risk in the Project's environmental and social risk assessment, and shall keep the World Bank informed of any material developments concerning the Associated Facility.

4.2 Basic Principles Adopted in the LARAF

Unmitigated land acquisition may deepen existing social inequalities and result in the long-term socio-economic marginalization of PAPs. In accordance with ESS5, the overarching objective of land acquisition and resettlement processes is to ensure that PAPs receive full replacement cost compensation for loss of land and other assets. This guarantee covers PAPs affected by both expropriation (permanent land acquisition) and permanent or temporary restrictions in land use. In addition, PAPs are entitled to receive support to enable them to improve or, at a minimum, restore their livelihood to the level they had prior to the Project's implementation. This obligation applies to all PAPs covered by ESS5, regardless of the form of land acquisition. This principle applies in any case where physical or economic displacement cannot be avoided. This LARAF applies to all involuntary resettlement cases as defined by ESS5. Involuntary resettlement refers to situations in which affected persons cannot refuse land acquisition or restrictions on land use that result in physical displacement (relocation, loss of residential land, or loss of shelter) or

economic displacement (loss of land, assets, or access to assets, leading to loss of income sources or other means of livelihood), or both. LARAF covers, in particular:

- expropriation and temporary or permanent restrictions on the land use, as well as
- agreements negotiated under conditions in which the Investor has the legal authority to proceed with expropriation in the event that negotiations fail.

Where land acquisition is carried out on a voluntary basis, this requires that the landowner retains a genuine right to refuse to sell, without being subject to the threat of compulsory acquisition as a consequence of that refusal, in accordance with the requirements of ESS5.

In accordance with ESS5, the following objectives are adopted in the process of designing and implementing land acquisition and resettlement:a) avoiding forced eviction;

b) avoiding involuntary resettlement or, when unavoidable, minimizing involuntary resettlement;

c) improving the livelihoods of the affected population or, at a minimum, restoring them to pre-Project levels;

d) improving the living conditions of physically displaced persons belonging to vulnerable groups through provision of adequate housing, access to services and facilities, and security of tenure;

e) conceiving and executing resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the Project;

f) ensuring that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of Project Affected Persons;

g) ensuring that PAPs affected by expropriation or restrictions on land use are guaranteed restoration or improvement of their livelihoods and living standards to pre-Project levels, regardless of the form of land acquisition;

e) continuity of living conditions — the Project Implementation Unit (PIU) shall ensure continuity of private, public or community infrastructure, property or services, utilities supplies necessary for daily life (electricity, water, road access, and other utilities) throughout the entire resettlement period and construction works, until the PAP independently connects to services at the new place of residence. In the event of any interruption in supply, the PIU shall provide alternative solutions at its own expense. Detailed arrangements shall be documented in the Environmental and Social Management Plan (ESMP) for the relevant works package;

f) Conditions for the physical takeover of land (excluding cases of physical displacement) - where the plot to be taken over does not constitute a PAP's place of residence, the PIU may take physical possession only after one of the following has occurred:

- compensation for the plot has been paid to the PAP in accordance with ESS5; or
- an advance payment equal to 70% of the compensation amount proposed on the basis of the appraisal report prepared by a licensed real estate appraiser commissioned by PGW Polish Waters has been made available to the PAP; or
- the compensation amount has been deposited into a court deposit.

The PIU undertakes active measures to assist absent, unidentified, or otherwise hard-to-reach PAPs in accessing compensation held in court deposit, including: maintaining a current record of such cases; conducting periodic searches of land and mortgage registers, cadastral records, and civil registry data to identify or locate the rightful owner or their heirs; publishing notices in a manner reasonably likely to reach the PAP or their successors; and providing assistance to identified heirs or successors in pursuing the formal procedure for release of the deposited funds.

g) Conditions for the physical takeover of land from physically displaced PAPs — the PIU may take over the plots only after all of the following conditions have been met:

- Compensation including any moving and transitional allowance for the expropriated residential plot or an advance payment equal to 70% of the compensation amount proposed on the basis of the appraisal report prepared by a licensed real estate appraiser commissioned by PGW Polish Waters has been paid, deposited in court deposit or made available to the PAP in accordance with ESS5; and
- the PAP has been provided with replacement housing, or has confirmed that alternative housing has been independently secured.

Where a PAP continues to occupy the plot after these conditions have been met and the legal process of expropriation has been completed, possession may be enforced through the administrative enforcement procedure described in Section 6.3.3 (Land Acquisition Under the Special Flood Act and Special Road Act), which is conducted in compliance with due process and does not constitute forced eviction within the meaning of ESS5.

Where suitable replacement housing is not available by the date on which the PAP is required to vacate the affected property, the PIU shall ensure that adequate temporary accommodation is provided at no cost to the PAP. The PIU shall bear, or arrange for the Project to bear, all reasonable costs associated with the temporary accommodation, including rent, utility charges, and any other expenses necessary to maintain living conditions equivalent to those enjoyed prior to displacement. Temporary accommodation shall be provided until suitable replacement housing is available and the PAP is able to relocate without any deterioration in living standards, consistent with the objectives and requirements of ESS5.

The PIU's primary obligation is to actively seek to avoid or minimize the need for land acquisition and resettlement. To this end, the PIU shall analyse alternative project design options as early as the planning and design stages. The purpose of this analysis is to limit the scope of land acquisition or eliminate the need for resettlement. The following mitigation hierarchy is applied in the process of analysing alternatives:

a) avoidance—the priority is to select design options that eliminate the need for land acquisition or resettlement;

b) minimization—if avoidance is not possible, the project shall be optimized to limit the area of land acquisition, the number of PAPs, and the scale of impacts;

c) mitigation — where impacts are unavoidable, measures shall be implemented to reduce their effects, including appropriate organization of construction activities, phasing of works, and timely disclosure to PAPs;

d) compensation – any remaining unavoidable impacts shall be fully compensated in accordance with the principles set out in this document and ESS5.

Where land acquisition for a Task is carried out exclusively through voluntary market transactions, this is distinct from a negotiated settlement: the landowner retains an unrestricted right to refuse to sell, without the threat of compulsory acquisition. A negotiated settlement, by contrast, takes place in circumstances where it is understood — through legal notice or other means — that the Investor may proceed with expropriation or another compulsory acquisition mechanism if negotiations do not result in an agreement.

Due diligence is conducted for each voluntary market transaction to confirm that:

(a) a functioning land market exists for the land in question;

(b) the transaction is entered into with the landowner's informed consent;

(c) the landowner is aware that they may refuse to sell, and will not be subject to compulsory acquisition or any other adverse consequence as a result of such refusal; and

(d) the landowner is compensated at a fair price based on prevailing market values.

Where a landowner declines to enter into a voluntary market transaction, the relevant plot is not acquired for the Task, and the PIU seeks an alternative site or plot. Land acquisition for Tasks relying exclusively on voluntary market transactions does not proceed to expropriation or any other compulsory acquisition mechanism.

5 Project Description

5.1 Project Objectives

Poland is among the European countries most vulnerable to the effects of climate change on water resources. Since 1951, average temperatures in Poland have risen by more than 2°C, resulting in increased frequency and intensity of floods and prolonged droughts. At the same time, the storage capacity of Polish reservoirs amounts to less than 6% of annual river flows — one of the lowest rates in Europe. During dry years, water availability drops to approximately 1,100 m^3 per person at which level reliable water supply for agriculture, the energy sector, and the population cannot be assured. The consequences of flooding can result in losses of billions of dollars, as illustrated by the flood caused by Low-Pressure System Borys in September 2024.

The overarching objective of the Project is to reduce flood and drought risks in Poland. The Project aims to ultimately provide protection for up to 5 million people. The Project pursues this objective through the following specific objectives:

- reducing flood risk in the upper and middle Vistula River catchment and in the Biała Lądecka River catchment within the Nysa Kłodzka River catchment through the construction of dry polders to protect major urban areas;
- reducing the risk of drought nationwide by increasing retention capacity, including the construction of multifunctional retention reservoirs and the implementation of green water retention measures;

- strengthening institutional capacity in the areas of forecasting and early warning for floods and droughts, water resource management, and water quality monitoring;
- improving institutional preparedness at the national level by modernizing water management systems using digital tools.

5.2 Project Components

The Climate Resilience in Water Management Project comprises four components implemented by PGW WP as the beneficiary. The list of components, together with the tasks implemented under each component, is presented in the table below.

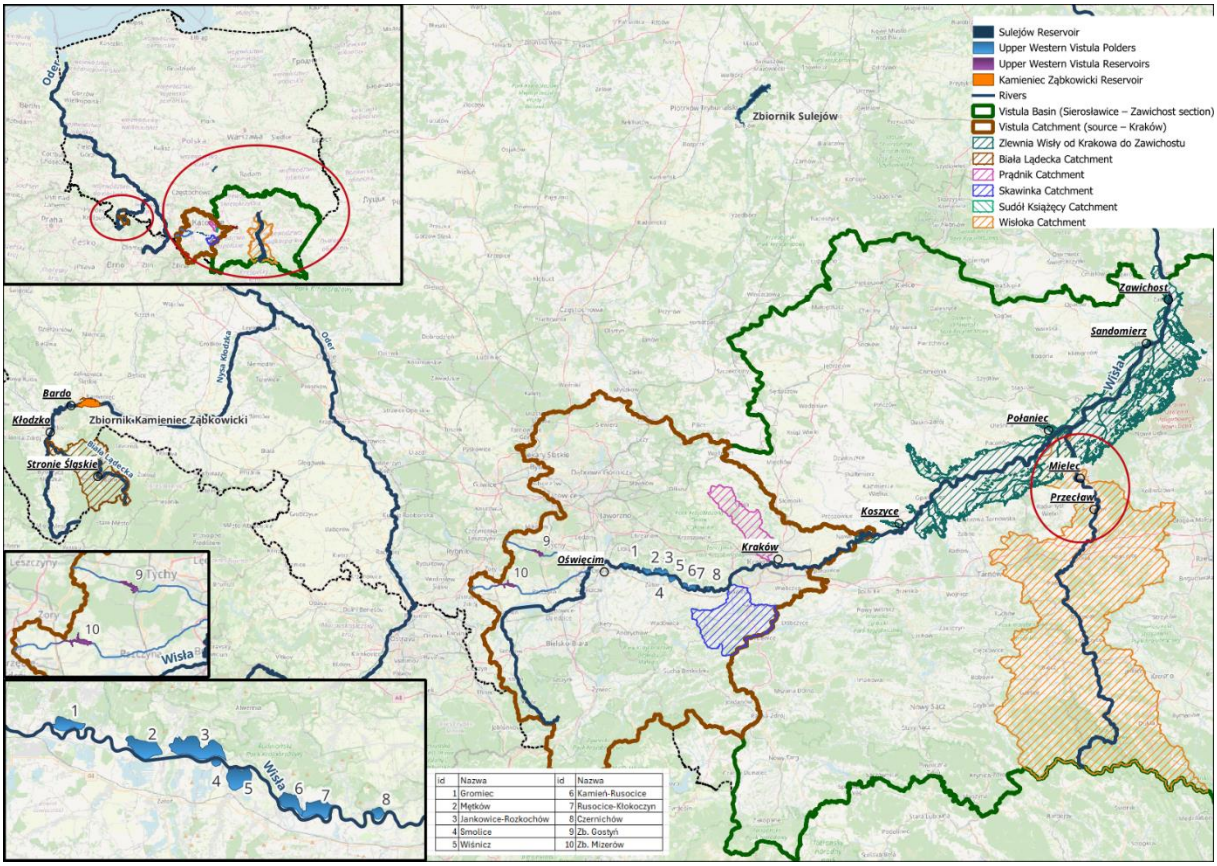
Table 1 Division of the Project into Components and Tasks

Task List		
Code	Component / Task	
I	**Component 1: Enhancing resilience to climate risks in the Upper and Middle Vistula River Basin**	
I.1	Flood risk reduction in the Vistula River Basin to protect Kraków	
I.2	Flood risk reduction from Kraków to Zawichost	
I.3	Modernize the Sulejów water reservoir	
I.4	Enhance nature-based water retention in the Upper Vistula River Basin	
II	**Component 2: Enhancing resilience to climate risks in the Middle Odra River Basin**	
II.1	Construct the Kamieniec Ząbkowicki multifunctional reservoir	
II.2	Flood risk reduction in the Biała Lądecka catchment of the Nysa Kłodzka	
II.3	Enhance nature-based water retention in the Nysa Kłodzka catchment	
II.4	Enhance forest retention in the upper part of the Nysa Kłodzka catchment	
III	**Component 3: Strengthen institutional capacity in mitigating the impact of floods and droughts**	
III.1	Enhance flood risk reduction in the Nysa Kłodzka catchment by non-structural measures	
	III.1.1	Strengthen the forecasting and early warning system (FEWS) and alerting in the Nysa Kłodzka catchment
	III.1.2	Pilot program for floodproofing in the Nysa Kłodzka catchment
	III.1.3	Flood-resilient urban transformation study for Stronie Śląskie Municipality
	III.1.4	Flood-resilient urban transformation study for Lądek-Zdrój Municipality
III.2	Strengthen the forecasting, warning and alerting system in the Iłownica and Biała catchments (Little Vistula Basin)	
III.3	Integrate the water quantity and water quality monitoring	
III.4	Modernize and develop of RZGW Operational Centers in the Vistula and Odra basins	
III.5	Establish and populate of the Water Management Information System for drainage infrastructure	

III.6	Prepare the Master Plans for the key stretches of the Vistula and Odra River Basins, integrating flood protection, drought mitigation and economic objectives
III.7	Establish The Hydroclimate Monitoring Center in IMGW-PIB
III.8	Develop the Crisis Management Centers
IV	**Component 4: Project Management, Monitoring and Evaluation**
IV.1	Project Management, Monitoring and Evaluation

As reflected in the task list above, the Project's structural and nature-based interventions are concentrated in two river basins: the Upper and Middle Vistula River Basin (Component 1) and the Middle Odra River Basin, specifically the Nysa Kłodzka catchment (Component 2). Map 1 below illustrates the geographic distribution of the infrastructure tasks under these two components, showing the clustering of Component 1 tasks along the Vistula River corridor between Kraków and Zawichost, and of Component 2 tasks within the Nysa Kłodzka catchment in the Sudety foothills. Components 3 and 4 comprise non-structural, institutional, monitoring, and project management measures spanning both basins and are therefore not represented as discrete locations on the map.

Map 1 Location of All Components.



Within the project area, ancillary works associated with project components may also be required. These may include, among others, riverbed regulation works, the relocation of technical infrastructure conflicting with hydrotechnical structures, and the construction of internal and

access roads. Prior to the acquisition of land or other assets required for such works, an analysis will be carried out to determine whether the works in question constitute an Associated Facility, as defined above, or a direct Project activity. Where such works necessitate the acquisition of land or other assets, the process will be carried out in accordance with the provisions of this document and the requirements of ESS5.

5.2.1 Component 1: Enhancing resilience to climate risks in the Upper and Middle Vistula River Basin

Component 1 encompasses infrastructure and non-structural measures aimed at reducing flood risk in the Upper and Middle Vistula River Basin. The structural tasks implemented under this component involve the construction of dispersed flood storage systems — dry polders and storage reservoirs — which, by temporarily retaining part of the flood wave and releasing it in a controlled manner, reduce peak flows at critical sections of the Vistula River, protecting Kraków and reducing the transfer of flood risk downstream toward Warsaw. The component is complemented by the modernization of the existing Sulejów reservoir, nature-based water retention measures in the Upper Vistula basin, and the strengthening of forecasting and early warning systems in the Iłownica and Biała catchments.

5.2.1.1 Task I.1 Flood Risk Reduction in the Vistula River Basin to protect Kraków

The basic scope of the program includes the construction of a dispersed flood storage system in the Vistula River catchment upstream of Kraków. This system will consist of controlled lateral polders located in the Vistula valley and two storage reservoirs on the tributaries of the Little Vistula. The functional purpose of these structures is to capture part of the flood wave's volume, store it temporarily, and release the floodwater in a controlled manner after the flood peak has passed.

Kraków's current flood protection system consists of existing storage reservoirs and linear infrastructure (flood embankments), but it does not yet provide a sufficient level of flood peak reduction under extreme event conditions. The analyses conducted show that simply optimizing the operation of the existing storage reservoirs and relying on passive protection alone are insufficient to achieve the required hydraulic effect of flood peak reduction. Therefore, it is necessary to supplement this system by constructing additional dispersed flood retention capacity in the Vistula Valley and to implement measures designed to reduce rapid runoff from urban and suburban tributaries.

In its current version, the program comprises 8 polders and 2 reservoirs, including the Czernichów, Rusocice-Kłokoczyn, Kamień-Rusocice, Jankowice-Rozkochów, Mętków, Gromiec, Smolice, and Wiśnicz polders, as well as two dry flood reservoirs: the Gostyń and Mizerów reservoirs. These structures are designed to operate as a single, mutually cooperating flood storage system—during a flood event, they will capture part of the flood wave's volume, store it temporarily, and subsequently release the floodwater in a controlled manner after the flood peak has passed. The protective effect shall be visible downstream of the respective polders and reservoirs, but above all in Kraków and downstream of the city.

The implementation of this task will involve land acquisition affecting privately owned plots within the footprints of the planned flood storage structures. Based on estimates available at the time of preparation of this document and based on the most recent version of the design, the task is

expected to result in the physical resettlement about 15 households. The number of individuals within these households, the number of owners, and the breakdown between residential and non-residential structures to be expropriated are not yet available at this stage; these figures will be established through the census and socioeconomic survey conducted during preparation of the Task-specific LARAP. A limited number of farming households and businesses may also experience economic displacement, given the predominantly rural character of the Vistula valley areas affected by the planned structures.

Landowners in the polder basin will be able to continue their agricultural activities or, if they so wish, their properties will be purchased. In the event of polders being filled during a flood and crops being lost (in the future after the construction of polders), the owners of such properties will be entitled to compensation in the amount of the losses incurred in accordance with the provisions of the Water Law (as specified in Article 222(4)).

Map 1 Location of planned hydrotechnical structures under Task I.1.



5.2.1.2 Task I.2 Flood risk reduction from Kraków to Zawichost

Task I.2 includes the preparation and phased implementation of measures aimed at increasing flood storage in the Vistula River valley from Kraków to Zawichost. Its objective is to strengthen flood protection in the areas downstream of Kraków, reduce the transfer of flood risk downstream along the Vistula River, and improve conditions for the safe conveyance of the flood wave.

The basis for further work is provided by the Feasibility Study, the Strategic Environmental Assessment, and the Strategic Social Impact Assessment prepared under Contract 5.7.2 of the previous World Bank-financed Odra–Vistula Flood Management Project (OVFMP).

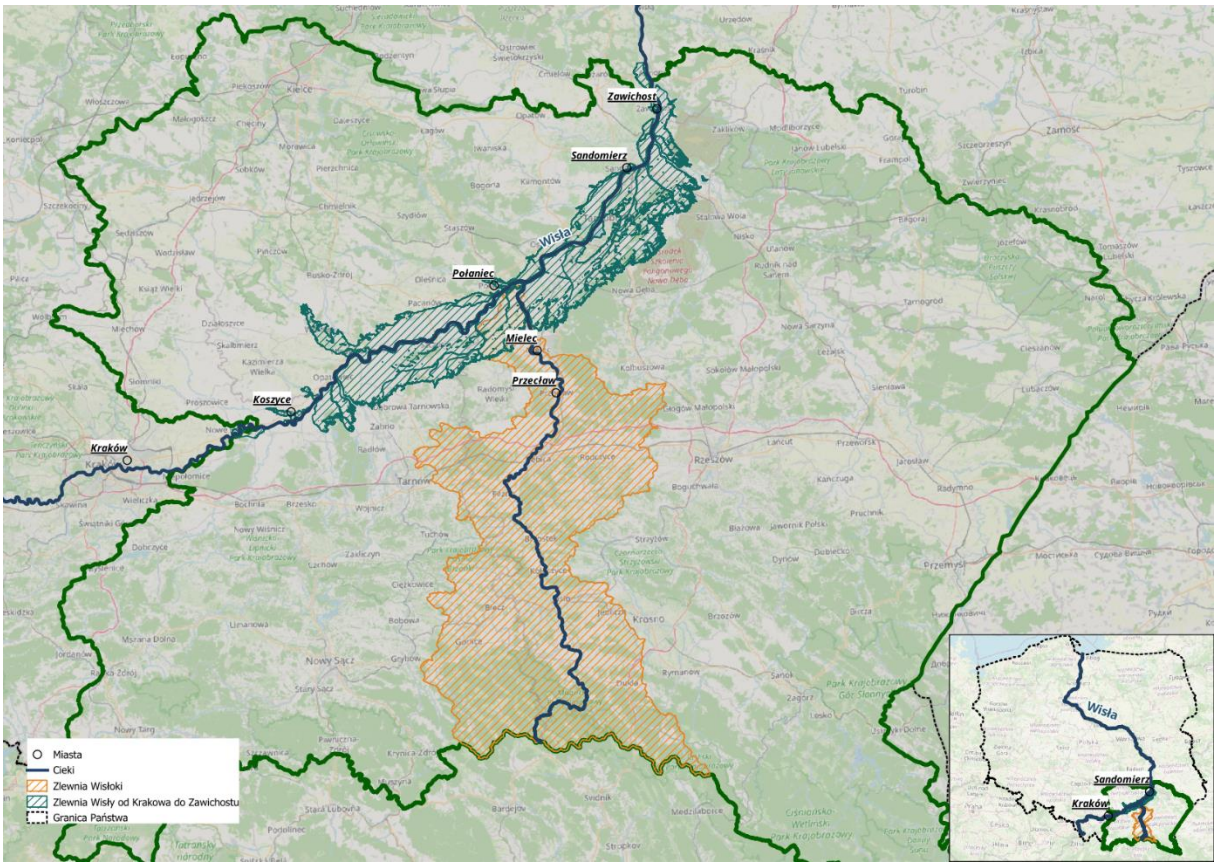
The Project will include additional hydraulic, technical, economic, environmental, and social analyses and, where necessary, the updating of the studies prepared to date. The analyses will serve to verify possible options for increasing flood storage, assess their rationale, feasibility, and impacts, and identify the optimal set of measures required to achieve the intended flood protection effect. In selecting the solutions, particular consideration will be given to opportunities to avoid and, where avoidance is not feasible, minimize environmental and social impacts.

Based on the results of the analyses, investments may be identified for further preparation. Depending on the extent to which they have been assessed and on the results of the evaluations, such work may include the preparation of concepts, design documentation, environmental and social documentation, as well as other preparatory activities. The undertaking of such work will not in itself constitute a decision to implement a given investment. The scope of the investments to be implemented will be determined in phases, taking into account the results of the analyses, the required administrative decisions, the availability of financing, and consultations conducted with stakeholders.

At the current stage, the Project provides for the preparation and construction of the Przykop side polder on the Vistula River. According to the current assumptions, the investment will be implemented through a Design and Build civil works contract. The anticipated scope of social impacts is limited. Based on the current assumptions, the relocation of three residential buildings will be required.

The remaining potential investment measures may be subject to further preparation or implementation only after the completion of the relevant analyses and assessments. At this stage, their final scope, location, and implementation arrangements have not yet been determined.

The activities under Subcomponent 1.2 will be implemented at the locations shown on the map below:Map 2 Location of planned hydrotechnical structures under Task I.2



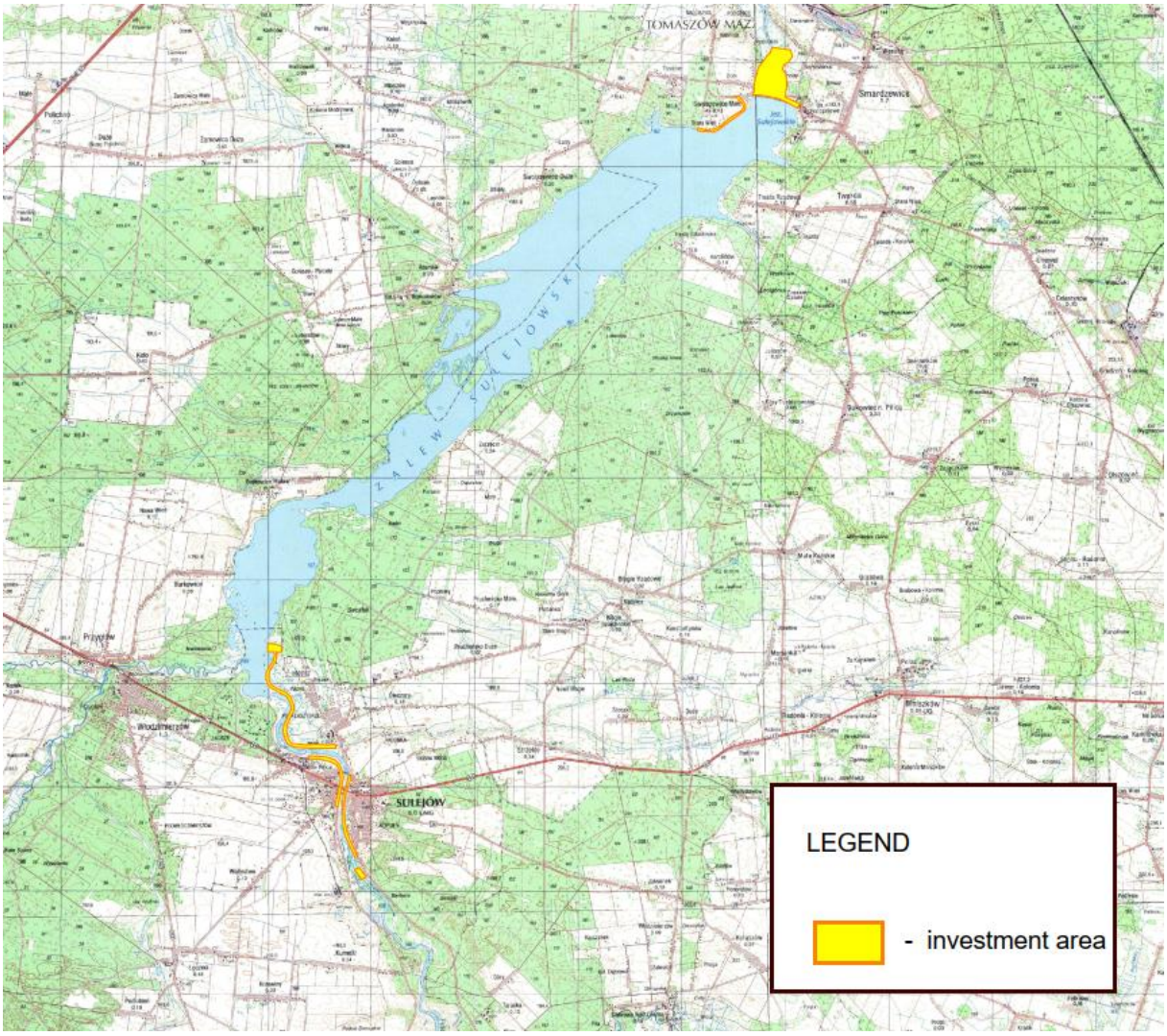
5.2.1.3 Task I.3 Modernize the Sulejów Water Reservoir

The modernization of the Sulejów multipurpose reservoir on the Pilica River is a strategic investment aimed at maintaining and strengthening the water storage, flood protection, drought mitigation, environmental, and operational functions of one of the key water management structures in the Pilica River watershed (a tributary of the Vistula). This reservoir was constructed between 1969 and 1974. Its original function was to supply drinking water to the Łódź metropolitan area and Tomaszów Mazowiecki, but over time, the reservoir began to perform functions related to drought mitigation, flood protection, hydropower generation, recreation, and irrigation. After more than fifty years of operation, the reservoir requires comprehensive modernization of its hydraulic structures and associated infrastructure to ensure the performance of its existing functions as well as its continued safe and reliable operation.

The modernization of the Sulejów Reservoir is an adaptation project of high public importance. Its purpose is not to create new storage capacity but to maintain and strengthen the existing structure's ability to perform its key functions of water storage, flood protection, drought mitigation, flow regulation, environmental protection, and operational management. The project will increase the sustainability and reliability of the infrastructure and enable the storage of an additional 84.33 million m^3 of water, the maintenance of a flood storage capacity of approximately 7.030 million m^3, the provision of environmental flow during periods of water scarcity, and more efficient management of the reservoir's operation under conditions of variable hydrology and the increasing effects of climate change.

Works are planned to be carried out on land belonging to RZGW and other public entities. The exception is the proposed sediment control structure, which, given its new character, will require securing rights to the relevant properties — potentially including ownership, perpetual usufruct, or easements — to the extent necessary for its construction and operation. At this stage, however, it cannot be fully excluded that, to a limited extent, temporary occupation or permanent land use restrictions may also affect privately owned land.

Map 3 Schematic location map of the Sulejów Reservoir.



5.2.1.4 Task I.4 Enhance Nature-Based water retention in the Upper Vistula River Basin

This Task contains proposals for implementing measures designed to retain water and delay its runoff within the Upper Vistula basin area, with special attention to the Prądnik River watershed as an area where a technical, environmental, and social assessment has already been conducted. The essence of this scheme is not to construct new hydraulic structures, but to restore and adapt the numerous naturally occurring valleys capable of temporarily retaining water. Achieving the ecological continuity of watercourses—by increasing the area of wetlands and green spaces to enhance the capacity to

capture rainfall before it turns into dangerous runoff—is the intended outcome of implementing these measures, which will utilize nature-based solutions (NBS).

The scope of this scheme also includes the Skawinka River watershed. For the Skawinka watershed, older conceptual documents, prepared between 2013 and 2014, are available and indicate the need to construct four dry polders and local flood defences, including embankments, retaining walls, and mobile flood protection systems. It is assumed that the appropriately located and dimensioned NBS measures will reduce the rate of runoff generation, increase the landscape water retention capacity, and bring benefits that single-purpose infrastructure does not provide: protection of habitats, a better water quality, mitigation of surface overheating, and a greater attractiveness of the river valleys as naturally rich ecosystems, also attractive to the local population. These measures will be implemented either on publicly owned land or on privately owned land on the basis of voluntary agreements with the landowners concerned; no involuntary land acquisition will take place.

5.2.1.5 Task I.5 Strengthen the forecasting, warning and alerting system in the Łownica and Biała catchments (Little Vistula Basin)

The purpose of this Task is to enhance the efficiency of the national hydrological protection system through the development of monitoring infrastructure, improvement of forecasting and data quality, and strengthening the system's resilience to power and telecommunications failures. The Task will be implemented in the Łownica and Biała catchments (Little Vistula Basin) as a pilot area, with technical and organizational solutions designed to allow replication in other flash-flood-prone catchments.

The physical scope includes the installation of approximately 6 new hydrological gauging stations equipped with water level sensors and telemetry, complemented by a campaign of cross-sectional river surveying to support hydraulic modelling. On the meteorological side, the Task envisages the installation of approximately 2 new automatic weather and precipitation stations, environmental sensors (soil moisture and snow water equivalent), and two X-band weather radars providing high-resolution rainfall data in the mountainous part of the catchment, integrated with tthe Polish national weather radar network POLRAD and IMGW's (Institute of Meteorology and Water Management – National Research Institute) hydrological models. In addition, approximately 23 existing monitoring stations will be upgraded with autonomous power supply (including photovoltaic systems) and redundant data transmission channels, to ensure continued operation during power or telecommunications failures typical of crisis situations.

This Task does not involve the involuntary acquisition of land. Installation and upgrade of monitoring equipment may, where necessary, require limited and temporary access to privately owned land, which shall be secured through voluntary market transactions with landowners. Shall any element of the Task require a more permanent or non-voluntary form of land access (including negotiated settlements), the relevant requirements of this LARAF and of ESS5 shall apply.

5.2.2 Component 2: Enhancing resilience to climate risk in the Middle Odra river Basin

Component 2 encompasses investments and measures aimed at reducing drought risk and improving the water balance in the Nysa Kłodzka River basin and, more broadly, on a national scale. The projects implemented under this component combine the functions of water retention, flow regulation, flood protection, and the implementation of nature-based solutions. Component 2 addresses the growing threat of water scarcity resulting from climate change, including prolonged periods of low flow and increasingly severe hydrological and agricultural droughts.

5.2.2.1 *Task II.1. Construct the Kamieniec Ząbkowicki Multifunctional Reservoir*

The construction of the Kamieniec Ząbkowicki reservoir is a strategic investment aimed at increasing the resilience of the water management system to the effects of climate variability and change. In light of the growing frequency and intensity of extreme events—including both floods and prolonged periods of low flow—integrated solutions are needed that combine protective, water retention, flow regulation, environmental, and operational functions.

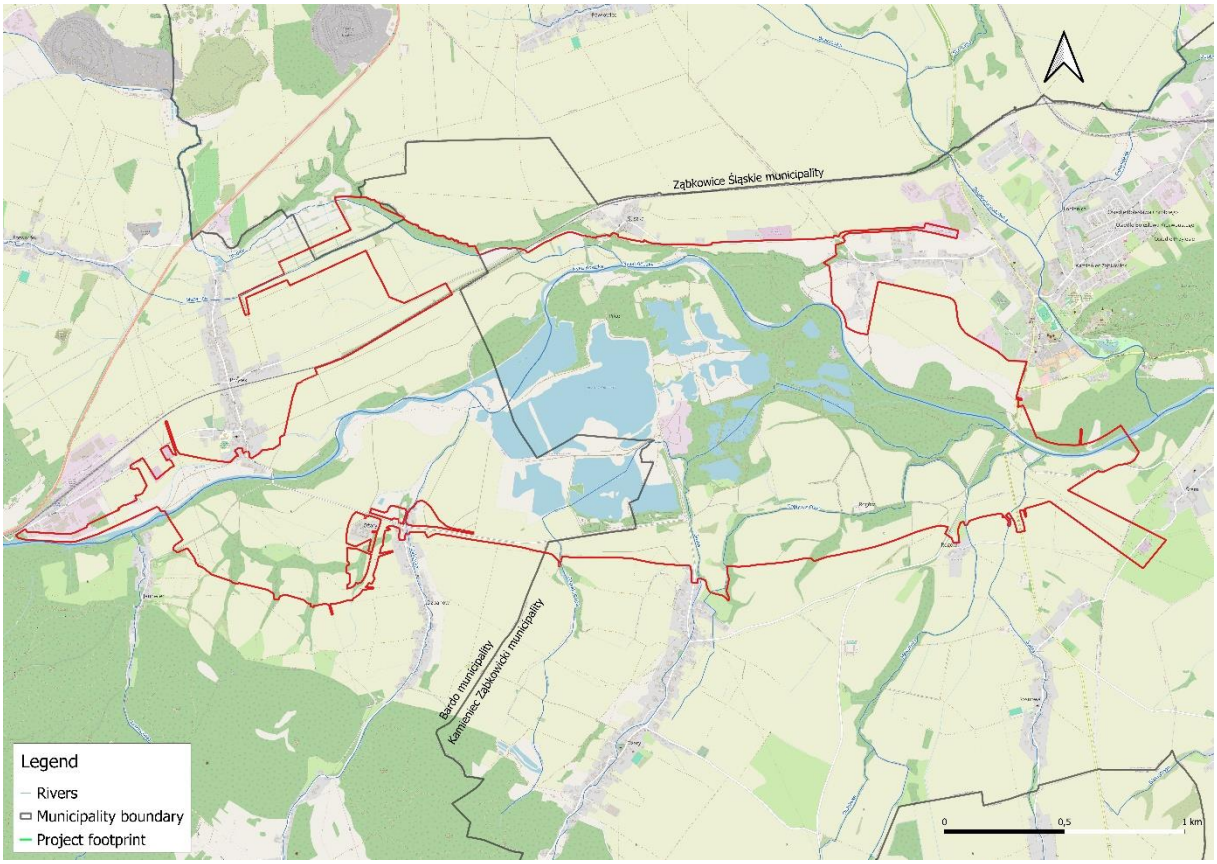
The reservoir's storage capacity at the normal water level is 54.0 million m^3, of which the live storage capacity is 23.0 million m^3. The permanent flood storage capacity is 49.0 million m^3, while the additional forced flood storage capacity is 10.0 million m^3. This operating arrangement makes it possible to balance flood protection with the functions of water retention, flow regulation, and power generation, while strengthening the system's ability to respond to variable hydrological conditions.

The reservoir's primary function will be to provide flood protection for the areas located directly downstream of the structure, but also—in conjunction with the other reservoirs in the cascade—for the areas located further downstream along the lower course of the Nysa Kłodzka River. At the same time, the reservoir will perform important additional functions, including the creation of water reserves, augmentation of low flows, supporting augmentation discharges to the Odra River, electricity generation at a hydroelectric power plant, as well as recreational and tourism-related uses. The concept also indicates the possibility of using the reservoir for fishery purposes and to provide water for municipal and agricultural needs. This range of functions confirms the multi-purpose nature of the project and its importance for the region's long-term water security and development.

The scope of the Task includes a complete set of structures and facilities necessary for the safe and efficient operation of the reservoir. In terms of hydraulic engineering, this includes the construction of the main dam, side embankments, the main outlet works and a spillway, a hydroelectric power plant, a fish pass, the relocation of the Nysa Kłodzka river channel, and the shaping of the reservoir basin. In addition, the design includes tributary conveyance systems, the relocation of public roads, the construction of service roads, bridge structures, reservoir operation and maintenance facilities, a slipway, and a wharf, the construction of a drinking water intake, the relocation of utility infrastructure, as well as environmental and recreational land development. This means that the project is comprehensive in nature and integrates safety, operation, environmental protection, and transportation accessibility objectives. Baseline data collected for the Kamieniec Ząbkowicki Task indicate that permanent land acquisition is expected to affect over 1,300 plots, covering approximately 1,558 ha, and to involve around 250 Project Affected Persons, including private title holders, legal entities, and the municipality. Physical

resettlement is expected to affect a limited number of households, together with a small number of cases of economic displacement.

Map 4 Schematic location map of the Kamieniec Ząbkowicki Reservoir—own work.



5.2.2.2 Task II.2 Flood risk reduction in the Biała Lądecka catchment of the Nysa Kłodzka

The scope of this Task includes the preparation and construction of a system of dry polders in the Biała Lądecka catchment as the basic element of flood risk reduction for Stronie Śląskie and Lądek-Zdrój, as well as for the villages located in the middle and lower reaches of the Biała Lądecka River.

The rationale for constructing the system of dry polders stems from the specific characteristics of the Biała Lądecka catchment. It is a mountainous and submontane catchment characterized by a short discharge concentration time, steep terrain gradients, high flow energy, and significant transport of coarse sediment and tree debris during flood events. The main areas at risk are concentrated in the valleys of the watercourses, where urban and rural infrastructure—including roads, bridges, retaining walls, and local revetments—restrict the space available for high water flow. Consequently, the flood risk encompasses not only the risk of flooding but also the risk of erosion, debris dams, and infrastructure damage.

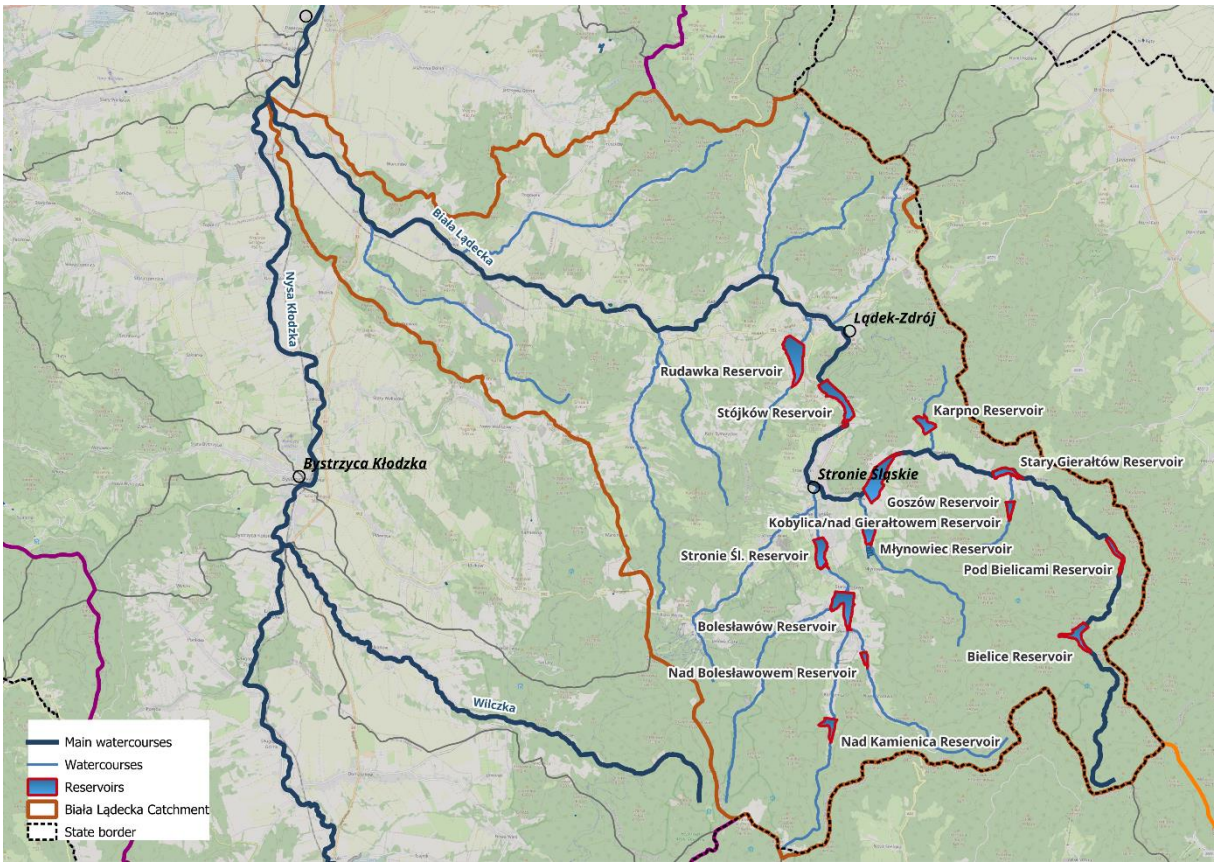
The objective of this Task will be to construct a system of dry polders that functions to transform the flood wave before it enters the most vulnerable sections of the river valley. These structures are designed to temporarily capture part of the flood wave volume, reduce peak flows, lower water

levels at the control profiles, and reduce flow energy in urban sections and at locations that limit the river's flood-carrying capacity.

Four options for the construction of flood storage structures are currently being analysed. The final selection among them shall be made in a Feasibility Study based on an integrated assessment of the following factors: reduction of flows and water levels in the Stronie Śląskie, Lądek-Zdrój, Radochów, Trzebieszowice, Ołdrzychowice Kłodzkie, and Żelazno profiles; the number of people and buildings removed from the flood risk zone; the scale of necessary land acquisition and resettlement; impacts on areas of high natural value, including Natura 2000 sites; investment and maintenance costs; and the possibility of phased implementation. Both options assume that protection against a flood of a scale similar to the September 2024 flood shall be complemented by non-structural measures, including through spatial planning, floodproofing of buildings, warning systems, and evacuation procedures, as well as measures designed to increase the water retention capacity of forests.

The social footprint of this task reflects the dense settlement pattern of the Biała Lądecka valley, where residential and agricultural land uses are interspersed with the river channel throughout the sections planned for flood storage infrastructure. The exact scale of physical resettlement will depend on the site selected through the Feasibility Study. A limited number of businesses and agricultural households may also experience economic displacement.

Map 5 Location of potential reservoirs



5.2.2.3 Task II.3 Enhance nature-based water retention in the Nysa Kłodzka catchment

This task involves the planning, preparation, and implementation of certain activities in the Nysa Kłodzka catchment area (with special attention to the portion covered by the Biała Lądecka catchment) that utilize nature-based solutions (NbS) aimed at increasing the capacity to retain and store rainwater where it falls by delaying the runoff of rainwater and snowmelt into the river valleys.

The expected outcome includes both the implementation of physical measures and the preparation of documentation on increasing the water retention capacity of the Biała Lądecka catchment using blue-green infrastructure, particularly in the upper river course and mountain valleys.

Measures under consideration include small-scale water retention structures (storage reservoirs, dry polders, drainless and flow-through reservoirs), restoration of small water retention structures damaged during the September 2024 flood, measures to control excessive water erosion (natural sediment control structures, biological slope stabilization, conversion of forest culverts to fords), and the construction of floating debris barriers and basins. These nature-based measures are most effective at a local scale and for smaller flood events; their efficiency declines for larger flood events, and they complement, rather than replace, the structural flood protection measures implemented under Component 2. This Task is designed to operate in conjunction with Task II.4 (Enhance forest retention in the upper part of the Nysa Kłodzka catchment).

The implementation of this Task will be carried out either on publicly owned land or on privately owned land on the basis of voluntary agreements with the landowners concerned; no involuntary land acquisition will take place.

5.2.2.4 Task II. 4 Enhance forest retention in the upper part of the Nysa Kłodzka catchment

This Task involves the planning, preparation, and implementation of measures to reduce rainwater runoff and increase its retention in forest areas of the upper Nysa Kłodzka catchment. Within the Nysa Kłodzka catchment, forests and semi-natural ecosystems occupy approximately 24.45% of the catchment area, most of them located in the mountain areas and managed by the State Forests National Forest Holding and other entities (municipalities, private owners). Measures include the construction and upgrade of small-scale hydraulic structures that slow down water runoff (small reservoirs, riverbed sills, damming culverts, drain trenches, and similar structures built primarily from natural materials such as stone, wood, and fascine), restoration of small water retention structures damaged during the September 2024 flood, restoration of natural ponds and wetlands, grading and cascadization of forest slopes and skidding trails following logging operations, prevention of excessive water erosion, and the construction and maintenance of floating debris barriers, including periodic inspection and clearing after high-flow events. These measures contribute to drought mitigation and flood risk reduction, particularly for lower-intensity rainfall events, while also supporting the restoration of forest ecosystems and biodiversity conservation. This Task is designed to operate in conjunction with Task II.3 (Enhance nature-based water retention in the Nysa Kłodzka catchment).

The implementation of this Task will be carried out either on publicly owned land or on privately owned land on the basis of voluntary market transactions with the landowners concerned; no involuntary land acquisition will take place. Shall

5.2.3 Component 3: Strengthen institutional capacity in mitigating the impact of floods and droughts

Component 3 comprises non-structural and institutional measures that complement the structural flood protection investments implemented under Components 1 and 2. The component strengthens Poland's capacity to monitor, forecast, and respond to flood and drought hazards through the expansion of hydrological and meteorological monitoring networks in the Nysa Kłodzka and Little Vistula catchments, the integration of water quantity and water quality monitoring across the Vistula and Odra basins, and the modernization and territorial expansion of RZGW Operational Centers supporting real-time decision-making in water management. It further includes the establishment of a national Hydroclimate Monitoring Center within IMGW-PIB, combining artificial intelligence, satellite data, and ground observations to assess and forecast synergistic hydroclimatic hazards such as droughts, heatwaves, and floods.

In parallel, Component 3 addresses flood vulnerability reduction through non-structural means. This includes a pilot program supporting property-level flood resilience (floodproofing) for residential, public, and small business buildings in the Kłodzko Valley, together with the preparation of a national catalogue of good floodproofing practices, and flood-resilient urban transformation studies for the municipalities of Stronie Śląskie and Lądek-Zdrój, aimed at guiding post-flood reconstruction and long-term spatial planning in the upper Biała Lądecka valley. The component also provides for the preparation of master plans integrating flood protection, drought mitigation, and economic development objectives for key sections of the Vistula and Odra River Basins, and for the modernization of the national register of land drainage infrastructure (GeoMelio) through comprehensive field inventory and database expansion.

Component 3 additionally strengthens crisis management capacity at the municipal, county, and regional level through the development of an integrated information platform, standard operating procedures, training programs, and public awareness measures supporting the translation of hydrological forecasts into timely warnings and operational response.

Most tasks under Component 3 are non-structural or institutional in nature and do not require land acquisition. Tasks involving the installation or upgrade of hydrological and meteorological monitoring equipment or other technical infrastructure may require limited and temporary access to privately owned land, which will be secured through voluntary market transactions with landowners. Shall it become necessary to acquire any plot on an involuntary basis (including negotiated settlements) in the course of implementation, the relevant requirements of this LARAF and of ESS5 shall apply.

5.2.4 Component 4 – Project Management, Monitoring, and Evaluation

Component 4 covers project management and implementation support activities, including institutional coordination, reporting, and knowledge exchange. Component 4 does not involve land acquisition and is therefore outside the scope of this document.

5.3 Potential for Involuntary Resettlement

The implementation of Components 1 and 2 requires both permanent and temporary land acquisition. Resettlement will result from the construction of hydrotechnical structures and associated infrastructure. Land acquisition needs described in this Section reflect the Project's

current stage of preparation and will be refined as individual Tasks progress toward final design. The modernization of the Sulejów Reservoir is being carried out on plots managed by the RZGW . Additional land from third parties may also be required for this Task; the extent of any such requirement will be determined during subsequent stages of design. Shall any informal or formal, permanent or seasonal users of these plots be identified, they will be recorded during the census and socio-economic survey and, where applicable, provided with assistance in accordance with the provisions of this document.

A detailed, Task-specific presentation of anticipated impacts, land ownership, and use structure is provided in Section 8 of this document.

With regard to Tasks I.4 “Enhance nature-based water retention in the Nysa Kłodzka catchment,” II.3 “Enhance forest retention in the upper part of the Nysa Kłodzka catchment,” and II.4 “Enhance nature-based water retention in the Upper Vistula River Basin” land acquisition under these Tasks is intended to be carried out exclusively on a voluntary basis. Shall In accordance with Polish law, such transactions take the form of a standard civil-law sale agreement concluded between the landowner and the relevant public entity, on the basis of a mutually agreed price. The landowner retains the right to decline to enter into the agreement, and no compulsory acquisition procedure is initiated or threatened as a condition of, or consequence of refusing, such a transaction. Where a landowner declines to enter into such a transaction, the relevant plot is not used for the Task, and the PIU seeks an alternative site or plot.

In the case of flood control reservoirs and polders, the primary source of displacement is the occupation of land within the boundaries of the planned structures. An additional source of land acquisition and associated social impacts may be the construction of supporting infrastructure. The construction of facilities may require the relocation of roads, power lines, and telecommunications networks, as well as the performance of work outside the project areas. These works constitute direct Project activities, financed and implemented as an integral part of the Task, and do not constitute Associated Facilities as defined in this document. This may result in both permanent and temporary land acquisitions.

The Project may give rise to two types of displacement. Physical displacement may affect PAPs who are required to relocate from their current place of residence. Economic displacement may result from: (a) the loss or reduction of the productive area of land formally acquired for the Task, affecting PAPs' access to productive resources, sources of income, or means of livelihood, even where such loss does not require physical relocation; or (b) permanent restrictions on the use of land or adjacent land — including restrictions established under Polish law without formal permanent acquisition of the affected plot — where such restrictions limit PAPs' ability to continue their activities to an extent that makes continuation impossible or unreasonable, in accordance with the definition of Economic Displacement set out in Section 2 of this document.

Resettlement may also entail psychological impacts, as Affected Persons may be required to change their place of residence and adapt to a new environment. Older adults, children, and persons with disabilities may be particularly vulnerable to such impacts. To minimize these effects, the PIU will provide support to PAPs and implement additional mitigation measures.

Temporary land acquisition may disrupt agricultural and economic activities and limit access to customers and suppliers. These impacts are reversible and will be subject to mitigation and compensation in accordance with the provisions of this document.

5.4 Entities Involved in the Implementation of the Project

The Project is being implemented by the State Water Management Authority Polish Waters (PGW WP) as the Investor. Project implementation is carried out through the Project Coordination Unit (PCU) and the PIU, which operate within the structures of the Regional Water Management Authorities.

The PCU is responsible for overall Project coordination, including consolidated monitoring and reporting on the implementation of the Environmental and Social Framework (ESF) instruments, including this LARAF, across all Tasks and PIUs, and for liaising with the World Bank on ESF compliance matters.

The PIU is responsible for preparing the detailed LARAP for the Tasks under its responsibility and for its implementation. including land acquisition, compensation payment, and the operation of the Grievance Redress Mechanism (GRM) at Task level. The PIU is supported by a Technical Assistance (TA) Consultant, directly responsible for preparing the LARAP document, conducting the census and socio-economic survey, and supporting the PIU in stakeholder engagement and negotiations with PAPs.

Independent oversight is provided by an independent Social Expert who shall conduct a parallel and independent verification of the environmental and social assessment, to ensure robustness and quality of the environmental and social analysis, a and provide independent verification and quality assurance of the Project's social and environmental performance, including compliance with ESS5 requirements.

Reporting lines follow the structure applied at Task level: the PCU coordinates all PIU activities across the Project, including LARAP implementation; each PIU, supervises LARAP preparation and implementation, with the TA Consultant reporting to the PIU on the technical and social aspects of LARAP preparation. At the implementation stage, the Investor further coordinates with the Engineer supervising construction works and the Contractor responsible for works on acquired property, in accordance with the arrangements set out in each Task's LARAP.

Reporting lines follow the structure applied at Task level: the PCU coordinates all PIU activities across the Project, including LARAP implementation. Within each PIU, the TA Consultant is responsible for preparing the LARAP, which is then reviewed and verified by the PIU. At the implementation stage, the PIU further coordinates with the Engineer supervising construction works and the Contractor responsible for works on acquired property, in accordance with the arrangements set out in each Task's LARAP.

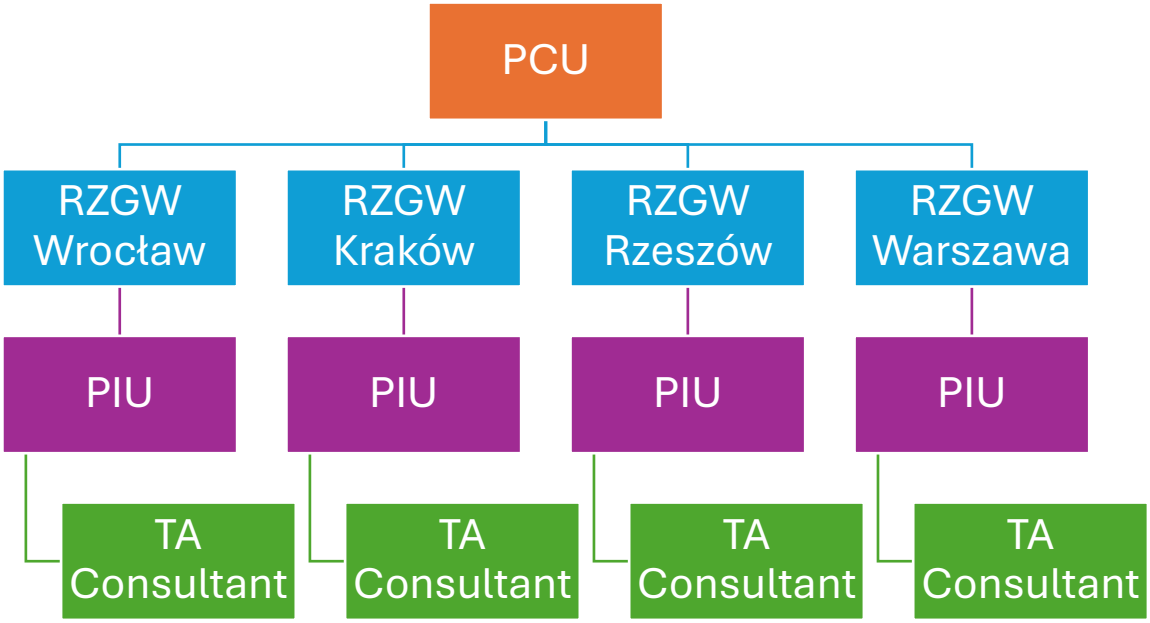


Figure1 - Project Implementation Diagram

No Associated Facilities are currently anticipated for the Project. Where the relocation of infrastructure colliding with the Project's structures is required, such works are carried out directly by PGW WP as part of the Project investment, incorporating the conditions specified by the owners of the infrastructure being relocated.

Depending on the specific circumstances of a Task, implementation of resettlement and livelihood restoration measures may require coordination with institutions outside the PGW WP system. This may include, among others: municipalities, for example in connection with the planning and construction of replacement settlements or the provision of social infrastructure; county authorities, for example where county roads are affected or require reconstruction; social welfare centers, in connection with the identification and support of vulnerable PAPs; and labour offices, in connection with livelihood restoration measures such as vocational training or employment support. Addressing the circumstances of informal users of land will likewise require case-by-case coordination with the relevant institution(s), depending on the nature of the case.

Such coordination will be formalized through agreements or other appropriate instruments concluded between PGW WP and the relevant institutions, setting out the scope of cooperation, responsibilities, and, where applicable, funding arrangements. The PIU, supported by the TA Consultant, is responsible for identifying the institutions relevant to each Task at the LARAP preparation stage and for initiating and maintaining the necessary coordination, including the conclusion of such agreements, throughout implementation.

6 Legal Framework and Gap Analysis

6.1 World Bank Requirements

In accordance with ESS5, Borrowers implementing World Bank-financed projects are required to take all feasible measures to avoid or minimize the adverse impacts of land acquisition and restrictions on land use associated with project implementation. The overarching objective of ESS5 is to ensure that, where physical or economic displacement cannot be avoided, PAPs receive compensation at replacement cost for lost land and other assets and are provided with the necessary support to improve, or at least restore, their livelihoods and living standards.

ESS5 gives rise to the following key requirements to be taken into account during project preparation:

- to avoid involuntary resettlement or,
- to minimize involuntary resettlement by exploring project design alternatives;
- to avoiding forced eviction,
- to mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (i) providing timely compensation for loss of assets at replacement cost; and (ii) assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher;
- to improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure,
- to conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project,
- to ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

Project-Affected Persons (PAPs) are defined in ESS5 as persons who may be affected by the project and who:

- (a) have formal legal rights to land or assets;
- (b) do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or
- (c) have no recognizable legal right or claim to the land or assets they occupy or use.

This definition encompasses all categories of persons affected by land acquisition and its consequences. All adversely affected persons are considered displaced persons within the meaning of ESS5, regardless of whether physical relocation is required.

Replacement cost is defined in ESS5 as a valuation method used to determine compensation sufficient to replace lost assets, including necessary transaction costs. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety[1]. Where physically displaced PAPs are poor or vulnerable, replacement cost alone may not be sufficient to enable them to purchase or construct housing meeting acceptable minimum community standards; in such cases, additional support shall be provided in accordance with the requirements set out above.

6.2 EU Regulations

Regulations on the assessment of impacts on material assets

Directive 2011/92/EU (as amended by Directive 2014/52/EU) requires that environmental impact assessments address project impacts on material assets, cultural heritage, and landscape, including the identification of such assets, assessment of their value, and identification of measures to minimize adverse impacts. Directive 2007/60/EC (the Floods Directive) requires that flood risk management plans take into account the potential economic consequences for material assets, including the value of property acquired for project purposes.

Regulations on subsidies for farmers

Direct payments are governed by Regulation (EU) 2021/2115 of the European Parliament and of the Council and Regulation (EU) 2021/2116. Farmers who lose land as a result of expropriation may lose their entitlement to direct payments associated with that land; in the case of partial land loss, payments are reduced proportionally. Payment entitlements may be transferred to other land. Pursuant to Article 3(1)(d) of Regulation (EU) 2021/2116, the expropriation of all or a substantial part of a holding may constitute a force majeure event, exempting the farmer from the obligation to repay support received and from penalties for non-compliance with conditionality requirements. An application for recognition of expropriation as force majeure is submitted to the head of the competent ARiMR district office.

Other Relevant Provisions

Regulation (EU) 2016/679 (GDPR) applies to the collection of personal data relating to plot owners. In the process of land acquisition and resettlement, the following provisions concerning

[1] Substandard housing is housing that does not meet the minimum quality and safety standards in effect in a given community, particularly with regard to floor area, technical condition, access to utilities, or sanitary conditions. In the Polish legal context, these standards are set forth in technical and building regulations, as well as in laws concerning tenant protection and environmental protection.

the protection of vulnerable groups are applicable: Directive 2000/43/EC (equal treatment irrespective of racial or ethnic origin) and Directive 2010/41/EU (equal treatment of self-employed men and women). Tenants of agricultural land may qualify as active farmers eligible for direct payments under Regulation (EU) 2021/2115, and their interests shall accordingly be taken into account in the land acquisition process.

6.3 Requirements under Polish law

6.3.1 Social Impact Assessment

According to the Act on the Provision of Information on the Environment and its Protection, Public Participation in Environmental Protection, and Environmental Impact Assessment (the EIA Act), among the criteria considered by the competent authority when assessing whether a project requires an environmental impact assessment (EIA) are the project's footprint, the size of the potentially affected population, and population density. During the EIA process, it is necessary to assess the project's impact on people and material assets and to conduct an analysis of social conflict. The EIA Act further requires public consultation as part of the EIA process and a detailed response to comments and proposals submitted during such consultation. The EIA is conducted during the first stage of the investment approval process (as part of the environmental decision procedure), which allows for an early assessment of the social impacts associated with the implementation of flood protection projects and the design of appropriate mitigation and preventive measures.

6.3.2 Public Consultations

The rules governing public consultation are set forth in the EIA ACT. In accordance with the EIA ACT, consultations are conducted as part of the EIA process. The EIA is carried out as part of the environmental decision procedure and, where the investor has introduced changes to the project relative to those specified in the environmental decision, also as part of the Preliminary Environmental Impact Report (IPIP) procedure. Additionally, in accordance with the Code of Administrative Procedure (KPA), at all stages of the investment approval process, parties affected by project implementation are individually notified of all actions taken by the decision-issuing authorities and of any submissions made by the investor. Affected persons may actively participate in the proceedings at every stage and submit comments, motions, correspondence, opinions, expert reports, and other materials. The complete case file is accessible to such persons and must be made available upon request. The competent authority is required to address all comments, motions, and other submissions made by the parties. Additionally, an administrative hearing open to affected persons may be held, in particular where disputed issues arise in the course of the proceedings.

6.3.3 Land Acquisition

The land acquisition for the purposes of implementing a flood protection project and the determination of compensation are based on the following legal acts:

- The Constitution of the Republic of Poland of 2 April 1997—Articles 21 and 64, which guarantee the protection of property rights and permit expropriation only for public purposes and in exchange for just compensation;

- The Act of 8 July 2010, on Special Rules for Preparing for the Implementation of Flood Control Infrastructure Projects (Special Flood Act); Act of April 10, 2003, on Special Rules for the Preparation and Implementation of Public Road Projects (Special Road Act)
- The Act of 21 August 1997, on Real Estate Management (REMA)—applied in matters not regulated by the special acts, including rules for valuation and the determination of compensation;
- Regulation of the Minister of Development and Technology of September 5, 2023, on real estate valuation—specifying the methods and techniques for real estate valuation applied in determining the amount of compensation;
- The Act of 20 July 2017 Water Law—with regard to water management and flood risk management.

6.3.3.1 Land Acquisition Under the Special Flood Act and Special Road Act

Land acquisition for flood-protection structures under the Project is carried out under the Special Flood Act. However, where a Task requires the reconstruction of roads colliding with the planned flood-protection infrastructure, the acquisition of land for such road works may, in certain cases, be carried out under the Special Road Act instead. For this reason, the procedure under the Special Road Act is also described below.

From the date of submitting the application for the IPIP decision, the Special Flood Act protects the status of the plots covered by that application: it renders void any disposal of State Treasury or local government-owned real property covered by the application; it allows suspension of pending building-permit proceedings for privately owned plots within the same area; it suspends proceedings for zoning conditions or public-purpose location decisions affecting those plots and it obliges the competent voivode to apply without delay for disclosure of the pending proceedings in the land and mortgage register, or the relevant document file where no register exists. A comparable, though narrower, mechanism applies from the date of notification of the initiation of proceedings for a RIIP decision: State Treasury or local government-owned real property covered by the application likewise cannot be disposed of, and any legal act carried out in breach of this prohibition is void. Unlike the Special Flood Act, however, the Special Road Act does not provide for suspension of building-permit or zoning proceedings, nor for disclosure of the pending proceedings in the land and mortgage register.

Pursuant to the Special Flood Act, the expropriation of land or parts thereof, as well as permanent and temporary restrictions on the use of land or parts thereof, are effected by means of an IPIP decision issued by the Voivod. Under the Special Road Act, the equivalent decision — the RIIP decision — is issued by the Voivod for national and voivodeship roads, or by the Starosta for county and municipal roads (Article 11a of the Special Road Act). Expropriation takes effect upon the IPIP (or RIIP) decision becoming final.

Under Polish administrative law, an IPIP (or RIIP) decision becomes final upon expiration of the 14-day appeal period — where no appeal has been filed — or upon completion of appeal proceedings before the competent higher-level authority. Polish law does not provide for a separate declaration of public interest; the IPIP (or RIIP) decision simultaneously constitutes both the permit for the project and the legal basis for expropriation. Ownership of the expropriated land passes to the State Treasury by operation of law upon the decision becoming final.

The IPIP or RIIP decision may be declared immediately enforceable by the first-instance authority, in which case the PIU may take possession of the land prior to the decision becoming final (see Definitions: Immediate Enforceability).

Upon transfer of ownership to the State Treasury or the relevant local government unit, the owner or perpetual usufructuary[2] of the expropriated land is entitled to cash compensation or compensation in the form of replacement land. Neither the Special Flood Act nor the Special Road Act does not express a preference for replacement land; it provides for monetary compensation on the assumption that it will enable the affected person to purchase comparable land at market price.

Under the Special Flood Act the amount of compensation is determined separately for each plot through individual negotiations between the PIU and the owner or perpetual usufructuary, conducted on the basis of an independent appraisal prepared by a licensed real estate appraiser holding the appropriate state professional license.

Compensation is determined based on the condition of the land as of the date the IPIP decision was issued and the value of the land as of the date on which the amount of compensation is determined.

Where the PIU and the Affected Person reach agreement on the amount of compensation, a written agreement is concluded specifying the amount, deadline, and method of payment.

Where no agreement is reached within two months of the date the final IPIP decision is issued, the amount of compensation is determined by decision of the Voivod. Prior to issuing such a decision, the Voivod appoints a real estate appraiser. The Affected Person also has the right to submit an appraisal prepared by their own appraiser, which the Voivod is required to address when issuing the compensation decision. All comments and motions submitted by the party during the proceedings must be substantively addressed both in the course of the proceedings and in the compensation decision.

The Affected Person has the right to appeal the Voivod's compensation decision to the minister responsible for construction, spatial planning, and housing. Where an appeal has been filed, the Affected Person may simultaneously request payment of the compensation amount specified in the contested decision; such payment does not affect the ongoing appeal proceedings.

A decision issued in appeal proceedings may be challenged before the competent provincial administrative court within 30 days of service of the decision. A further appeal to the Supreme Administrative Court is available within 30 days of service of the court's judgment together with its written reasoning.

Under the Special Road Act, compensation is determined administratively rather than through a negotiated procedure. The compensation decision is issued by the same authority that issued the RIIP decision, based on the condition of the land as of the date the RIIP decision was issued by the first-instance authority and the value of the land as of the date on which the amount of compensation is determined (Article 12(4a) of the Special Road Act). The compensation decision

[2] Perpetual usufruct is a limited property right under Polish law entitling a natural or legal person to use land owned by the State Treasury or a local government unit for a specified period — ordinarily 99 years, extendable upon request — in exchange for an annual fee. The right is transferable and inheritable. In expropriation proceedings, the perpetual usufructuary is entitled to compensation for the loss of their right, determined separately from any compensation payable to the land owner.

is issued within 30 days of the RIIP decision becoming final, or within 60 days where the RIIP decision has been declared immediately enforceable (Article 12(4a)–(4b) and (4g) of the Special Road Act). An advance payment of 70% of the compensation amount determined by the first-instance authority is disbursed within 30 days of the affected person's request (Article 12(5a) of the Special Road Act). The Affected Person has the right to appeal the compensation decision, and to challenge the decision issued on appeal before the competent provincial administrative court and, subsequently, the Supreme Administrative Court, on the same terms as described above for the Special Flood Act.

The costs of an independent valuation commissioned by the PAP at the negotiation stage are settled by agreement between the parties. Where an independent valuation is submitted in proceedings before the Voivode, reimbursement of the associated costs is not provided for under Polish law. Legal representation costs incurred in administrative proceedings before the Voivode or the Minister are likewise not reimbursable. Where, however, the PAP successfully challenges the compensation decision before the provincial administrative court or the Supreme Administrative Court, the court shall order the opposing party to reimburse the PAP's legal representation costs and all procedural costs of those proceedings.

Where a PAP refuses to vacate the property following the issuance of a final and enforceable IPIP or RIIP decision, possession may be enforced through administrative enforcement proceedings under the Act of 17 June 1966 on Administrative Enforcement Proceedings. In practice, such enforcement proceedings are extremely rare in the context of infrastructure projects in Poland. The overriding principle of administrative enforcement is that the least burdensome measure capable of achieving compliance must be applied. Enforcement measures of increasing severity may only be applied only where less burdensome measures have proven ineffective.

The enforcement process may involve the following measures, applied in sequence: a coercive fine, repossession of the property and eviction from premises, and, as a last resort, direct coercion involving physical removal.

Prior to any enforcement action, the enforcement officer is required to serve the PAP with a copy of the enforcement order and a formal notice to comply, with a warning that enforcement measures will be applied in the event of non-compliance (Article 143). The PAP retains the following rights throughout the enforcement process:

— the right to lodge objections against the enforcement proceedings on substantive grounds, including contesting the existence or enforceability of the underlying obligation (Article 33);

— the right to file a complaint against any specific enforcement action on the grounds that it was carried out in violation of the law or that a less burdensome measure was available (Article 54);

— the right to request the presence of witnesses during enforcement activities (Article 51);

— the right to receive a copy of the protocol of enforcement activities (Article 53).

Where direct coercion is applied, it must be proportionate to the resistance encountered and conducted in accordance with the constitutional principle of proportionality and the general principles of administrative procedure. It must be also carried out with due regard to the dignity and safety of the affected persons. Movable property removed from the premises is either returned to the PAP or placed in storage at the PIU's cost and risk (Article 146). The exercise of these enforcement powers does not constitute forced eviction within the meaning of ESS5 paragraph 31, provided it is conducted in compliance with national law and basic principles of due process.

6.3.3.2 Establishment of Permanent Restrictions on Land Use

Initiating proceedings for the issuance of an IPIP requires an application from the PIU, which is obligated to identify, among other things, the land or parts thereof that form part of the investment and are necessary for its operation but do not pass into the ownership of the State Treasury, and for which the manner of use is permanently restricted (hereinafter: "permanent use restrictions" or "TO"). Such an application must be reviewed and, in accordance with the findings of the competent authority, reflected in the IPIP decision issued by the Voivod (Article 9(5)(b) of the Special Flood Act). Under the Special Road Act, permanent use restrictions are similarly identified and reflected in the RIIP decision as well (Article 11f(1)(8)(i) of the Special Road Act).

A further category of TO restrictions arising from the IPIP — but not necessarily from the PIU's application — covers areas of immediate flood risk as well as areas of potential or specific flood risk, where such areas have been designated (Article 9(8)(f) of the Special Flood Act). The Special Road Act does not provide for an equivalent, purpose-specific category of restrictions; restrictions under the Special Road Act arise only from the scope of works and obligations set out in the RIIP decision itself. Land subject to such restrictions will not undergo a permanent change in use and may, in principle, continue to be used by the owner or perpetual usufructuary in the same manner as before project implementation; however, upon completion of the project, certain functional restrictions will apply on a permanent basis.

In practice, permanent restrictions arise in two different ways. In the first case, establishing a restriction requires construction works to be carried out on the land — for example, the laying of underground cables or pipelines. The land is subject to temporary occupation for the duration of the works, for which the owner receives compensation. Once the works are completed and the infrastructure is operational, a permanent restriction is established, entitling the owner to compensation for the resulting decrease in the land's market value.

In the second case, the restriction arises by operation of law upon completion of the project — for example, a prohibition on construction or planting of trees in a flood risk zone. In such cases, there is no temporary occupation. The Affected Person retains uninterrupted use of the land and receives compensation for the reduction in its market value.

In the case of temporary restrictions established under the Special Flood Act, the associated inconveniences and limitations on the land's economic and market potential — such as prohibitions on construction, planting of trees, or conducting agricultural activities — adversely affect the land's market value and must be compensated with just compensation. The owner or perpetual usufructuary, the owner may seek its redemption through civil proceedings by submitting a request to the PIU in accordance with Article 22(2) of the Special Flood Act within 90 days of receiving notice of the initiation of IPIP proceedings (The Special Road Act does not provide for an equivalent right of redemption). Where this 90-day deadline is not met, the right to seek redemption expires, and the owner may only seek compensation, determined through administrative proceedings.

Neither the Special Flood Act nor the Special Road Act defines the concept of TO or specifies the administrative authority with subject-matter jurisdiction to determine compensation in administrative proceedings. This legal gap is addressed by reference to the criteria established under the RIIP, as set out in the Ruling of the Supreme Administrative Court of 9 November 2012 (Case No. I OW 142/12), which states that the authority competent to determine compensation is the authority that issued the decision authorizing the relevant investment, it being

inconceivable that the legislature would divide jurisdictional competence depending on the subject matter of compensation arising from the same decision.

It must further be noted that Article 30 of the Special Flood Act and Article 23 of the Special Road Act provide that in matters not regulated by those acts, the provisions on real estate management apply accordingly. In implementing this directive, proceedings are conducted on the basis of the Act on Real Estate Management (REMA).

Accordingly, with regard to compensation for TO established under both the Special Flood Act and the Special Road Act, the valuation procedures and rules set out in this document — governing the determination and payment of compensation for the expropriation of land or parts thereof — shall apply.

The owner or perpetual usufructuary of land subject to TO may request its purchase by submitting a written request to the PIU within 90 days of receiving notice of the initiation of IPIP proceedings.

6.3.3.3 Temporary Land Acquisition Under the Special Flood Act

Pursuant to the Special Flood Act, the IPIP may, where necessary, also impose temporary restrictions on the use of land — such as the obligation to reconstruct the OPS network — without such land passing into the ownership of the State Treasury (Article 9(8)(f) of the Special Flood Act).

Upon completion of the relevant works — for example, following the construction or reconstruction of technical infrastructure — and upon expiration of the period for which temporary occupation was authorized, the land shall be restored to its previous condition. Where restoration is not possible, compensation corresponding to the value of the losses incurred is due (Article 128(4) of the Act on Real Estate Management). Where the value of the land decreases as a result of failure to restore it to its previous condition, the compensation is increased by an amount corresponding to that decrease.

The Contractor may also acquire temporary occupation rights on the basis of civil law agreements concluded directly with PAPs. The conclusion of such an agreement requires the PAP's voluntary consent. The Contractor pays the PAP the compensation specified in the agreement. The provisions of this document apply accordingly to temporary occupations acquired by the Contractor on this basis.

6.3.3.4 Purchase of "remnants"

Where a part of land is acquired and the remaining part is unsuitable for its previous use — referred to as "remnants" — the PIU is obligated, following qualification against the criteria set out below, to purchase those remnants at the request of the owner or perpetual usufructuary (Article 23(1) of the Special Flood Act). This provision is consistent with ESS5, which requires minimization of the adverse impacts of land acquisition and adequate compensation where the remaining land is no longer suitable for its previous use.

The criteria for determining whether the remaining part qualifies as remnants are set forth in Article 23(1) of the Special Flood Act: the remaining part must be unsuitable for proper use for its previous purposes. The amount of compensation for the remnants is determined according to the

same principles as for the expropriated part — by an independent licensed real estate appraiser in accordance with the Act on Real Estate Management (REMA), applying the principle of benefit.

A request for purchase of the remnants may be submitted prior to the issuance of the IPIP; however, the actual acquisition may take place only after the IPIP has been issued and has become final, at the time when the land is divided and ownership of the expropriated part is transferred.

6.3.3.5 Special Procedures

Pursuant to Article 133 of the REMA, the PIU deposits the amount of compensation into a court escrow account in accordance with the Voivod's decision obligating the PIU to make such deposit. The deposit has the same legal effect as direct payment of compensation. This mechanism applies exclusively in two cases: where the entitled person refuses to accept the compensation, or where payment encounters insurmountable obstacles (such as the creditor's lack of legal capacity, prolonged absence from the country without appointment of a representative, a natural disaster, or martial law); and where compensation for expropriation concerns land with an unresolved legal status (Judgment of the Provincial Administrative Court in Lublin of 25 February 2005, Case No. II SA/Lu 884/04).

. A party may withdraw the funds within 10 years from the date the deposit was established. The costs of the deposit are borne by the PIU.

6.3.4 Appeal Procedures

Pursuant to the provisions of the Code of Administrative Procedure (KPA), any administrative decision — including an IPIP decision and a Voivod's decision determining the amount of compensation for expropriation — may be appealed by a party to the higher-level authority (the minister responsible for construction). The KPA requires that every administrative decision be accompanied by information specifying the deadline for filing an appeal, the authority to which the appeal must be submitted, and the procedure for doing so. Filing an appeal is free of charge. Where the Affected Person appeals the compensation decision, they may simultaneously request payment of the compensation amount specified in the contested decision; such payment does not affect the ongoing appeal proceedings. A decision issued in appeal proceedings may be challenged before the competent provincial administrative court within 30 days of service of the decision on the complainant. A further appeal to the Supreme Administrative Court is available within 30 days of service of the court's judgment together with its written reasoning. Where the IPIP decision is appealed, all related proceedings — including land valuation and communication with PAPs — shall continue, and compensation shall be paid once the decision becomes final.

6.4 Gap Analysis and Corrective Measures

This section presents a comparative analysis of the compliance of the Polish legal framework with the World Bank's requirements under the Environmental and Social Standards (ESS), focusing on key areas related to the implementation of infrastructure projects with potential significant social impacts, including involuntary resettlement.

The compliance analysis covers ESS5 on Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement. For each ESS5 requirement, the corresponding provisions of Polish law are identified, a compliance status is assigned (full compliance, partial compliance, or non-compliance), and explanatory comments are provided to clarify any identified gaps.

The analysis identifies areas where Polish legislation fully complies with ESS5 requirements, as well as areas where gaps exist that require corrective measures to ensure the Project's full compliance with World Bank standards. The gap analysis and corrective measures are presented in tabular form below.

6.4.1 Gap Analysis

Table 2 Compliance Analysis Table

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
Avoidance of Involuntary Resettlement	Art. 112 of the Act on Real Estate Management (expropriation as a last resort); Art. 66(5) of the EIA ACT (description of alternative project options)	Partial compliance	Polish law treats expropriation as a last resort but does not explicitly require the active avoidance of resettlement as a priority principle. During the EIA process, alternative project options must be considered; however, avoidance of resettlement is not a criterion for selecting among those options.	Prioritizing the avoidance of resettlement. Design decisions made to minimize resettlement are documented during the design phase, based on consultations conducted with PAPs at this stage.	Design, SEP, LARAP, GRM register
Consideration of Alternative Project Designs to Avoid or Minimize Resettlement	Art. 66(5) of the EIA Act (analysis of alternative options); Art. 6(1)(3) of the Special Flood Act	Partial compliance	The regulations require certain analyses but do not explicitly require consideration of alternatives with a view to minimizing resettlement. The approach is environmental and technical rather than social.	During the technical design phase, a justification for the selected project option is prepared, including an assessment of the impact of each analysed option on the extent of resettlement.	Design, Feasibility Study
Census of Project-Affected Population	Art. 6(1) of the Special Flood Act (elements of the application for an IPIP)	Partial compliance	Identification of owners, perpetual usufructuaries, holders of limited property rights, leaseholders, and tenants is required, covering land acquired for both permanent and temporary occupation as well as permanent restrictions. Polish law does not provide for comprehensive identification of all PAPs, particularly those without formal title.	Conduct a census of PAPs, including: analysis of land and mortgage registers and cadastral records to identify owners and perpetual usufructuaries; interviews with PAPs in the project area of influence; field observations and interviews to identify informal users; a socioeconomic survey using measurable indicators to assess the situation of PAPs before and after resettlement. The inventory is updated prior to submission of the IPIP application and following issuance of the IPIP decision to reflect changes in the legal and factual status of the land.	LARAP; Land Inventory

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
Socioeconomic assessment	No applicable regulations	Non-compliance	Polish law does not require a socioeconomic survey in accordance with ESS5 requirements.	Conduct a census of PAPs, including: analysis of land and mortgage registers and cadastral records to identify owners and perpetual usufructuaries; interviews with PAPs in the project area of influence; field observations and interviews to identify informal users; a socioeconomic survey using measurable indicators to assess the situation of PAPs before and after resettlement. The inventory is updated prior to submission of the IPIP application and following issuance of the IPIP decision to reflect changes in the legal and factual status of the land.	Socio-economic survey; LARAP
Establishment of a Cut-off Date	Arts. 9, 10, and 10a; Arts. 19 and 21 of the Special Flood Act; Art. 10 of the KPA	Compliance	Polish law establishes the date of issuance of the IPIP decision as the cut-off date for eligibility. This date is binding and cannot be changed after the decision is issued. National law ensures multi-channel disclosure of the cut-off date: PAPs are notified of all proceedings by mail, and information is additionally published through public notices at the Voivodship and municipal offices, on municipal websites, and in the local press. Proceedings are conducted with the active participation of PAPs, who may review case files and submit comments and motions prior to the decision being issued, and the authority is required to respond to every comment submitted. The cut-off date is therefore known to PAPs before the decision is issued and results from a transparent process with guaranteed public participation.	N/A	N/A

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
Development of a Resettlement Plan	No applicable regulations	Non-compliance	Polish law does not require the development of a e resettlement plan in accordance with ESS5 requirements.	Preparation of a Resettlement Plan; A detailed LARAP is prepared in accordance with ESS5 requirements. Prior to finalization, the draft is disclosed and consulted with PAPs. The LARAP is updated prior to submission of the IPIP application and in the event of significant changes affecting PAPs or applicable legal regulations. LARAP implementation is monitored by the PIU and reported to the World Bank.	LARAP
Consultations with PAPs	Art. 10 of the KPA The Act of 19 July 2019 on Ensuring Accessibility to Persons with Special Needs	Compliance	Polish administrative law ensures PAP participation in proceedings at every stage. The authority is required to fully inform PAPs of the factual and legal circumstances affecting their rights and obligations. PAPs are notified of all procedural steps and have the right to actively participate at every stage. This is an active duty of the authority, not merely a passive entitlement of the party: the authority must take the steps necessary to enable each PAP's genuine participation, rather than simply allowing formal presence in the proceedings. Prior to a decision being issued, PAPs may comment on the evidence and materials gathered and on any requests submitted. The authority is required to respond to each comment submitted. All comments submitted by a PAP must be taken into account when the decision is issued; where the authority does not follow a comment, it must provide a convincing justification for its position. Where a PAP has special needs, the authority conducting the proceedings is obliged to ensure architectural, digital, and information-	N/A	N/A

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
			communication accessibility, including barrier-free access to its premises and communication channels such as sign-language video interpretation. Where the authority is unable to remove a given barrier, it is obliged to provide alternative access — for example, assistance from another person or an adjusted way of handling the matter — sufficient to enable the PAP to participate. A PAP or their legal representative may submit a request for accessibility to the authority, which must remove the barrier within 14 days.		
Compensation at Replacement Cost	Arts. 128, 134, and 135 of the REMA; Art. 30 of the Special Flood Act	Partial compliance	The regulations provide for compensation based on the market value or replacement cost of land. Poland has a well-developed real estate market, which allows replacement cost to be determined on the basis of market value as established by independent licensed real estate appraisers operating under the REMA. Compensation also covers documented transaction costs incurred by the Affected Person, including notary fees and charges related to the acquisition of replacement land. The principle of benefit is applied — the use of the land most advantageous to the Affected Person is taken into account in determining compensation. However, in some cases land may be valued at replacement cost with depreciation taken into account, which may result in compensation falling short of the full replacement cost standard required by ESS5.	Compensation at full replacement cost. Where an appraisal report prepared for administrative proceedings does not yield compensation at full replacement cost, additional measures are introduced to ensure that PAPs receive benefits corresponding to the replacement cost standard.	LARAP; Appraisal Report; Entitlement Matrix
Transparency and Consistency of Compensation Standards	Art. 130 of the REMA; Art. 21 of the Special Flood Act	Compliance	The regulations establish transparent and uniform rules for determining compensation. Compensation is determined on the basis of an appraisal report prepared by an independent licensed real estate appraiser in accordance with the REMA and its	N/A	N/A

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
			implementing regulations, which establish uniform valuation standards applicable throughout the country. Prior to preparing the appraisal report, the appraiser is required to carry out an on-site inspection of the property, the date of which is set so as to enable the owner to participate. Professional standards for real estate appraisers require that appraisal reports present the assumptions made, the methodology applied, the calculation process, and the method for determining the final value in a manner that ensures transparency and verifiability. Once the appraisal report has been prepared, it is made available to the PAP, who may review it and raise objections within a deadline set by the case officer, typically 7 or 14 days; the authority forwards to the appraiser together with a deadline, set by the authority, for the appraiser to respond. Where the PAP remains dissatisfied with the valuation, this may also be raised as a ground of appeal against the resulting compensation decision. .		
Payment of Compensation Prior to Physical Impact on Land	Arts. 19, 24, and 25 of the Special Flood Act	Partial compliance	The Special Flood Act permits the IPIP decision to be declared immediately enforceable, allowing the PIU to enter the land and commence construction works before compensation has been determined or paid. Compensation is paid within 14 days of the final decision determining its amount, which may be issued after the IPIP decision. In practice, a PAP may lose actual control over their land before receiving any payment.	The PIU will offer the eligible PAP an advance payment equal to 70% of the compensation amount proposed on the basis of the appraisal report presented during negotiations, constituting the greater part of the compensation ultimately due. The advance payment is made on the basis of a written agreement; in the case of co-ownership, the agreement must be signed by all co-owners or their authorized representatives. The	LARAP; Compensation proposal; Compensation Agreement;

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
				advance payment remains available for the PAP to accept at any time, and its receipt depends solely on the PAP's own decision to do so; it does not lapse or become unavailable if the PAP does not accept it immediately. It is this continued availability of the advance payment to the PAP — rather than its actual receipt — that entitles the PIU to take possession of the land in accordance with ESS5. Acceptance of the advance payment does not constitute agreement to the proposed compensation amount and may not be used as evidence of such agreement in ongoing proceedings.	
Rights of Persons Without Formal Title	Arts. 124a and 133 of the REMA	Partial compliance	The provisions address land with unresolved legal status but do not grant full rights to persons without formal title in accordance with ESS5. In Poland, the category of persons without formal title is narrow — Polish law does not recognize customary land rights. Two categories are distinguished. An independent possessor who acquired ownership through adverse possession prior to expropriation is entitled to compensation, which is deposited with the court pending conclusion of adverse possession proceedings. This mechanism only partially meets ESS5 requirements, as it does not guarantee timely payment. A possessor for whom the adverse possession period has not yet expired is not entitled to compensation at all. Allotment garden users are entitled to compensation under the Act on Family Allotment Gardens directly for assets they	Identification of actual users without formal legal title through PAP interviews and field observations; verification of eligibility on the basis of evidence of actual use; inclusion of identified individuals in the Entitlement Matrix with assignment of the appropriate compensation category.	Land Inventory; Socio-economic survey; LARAP; Entitlement Matrix

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
			own and for their rights to the plot (Art. 22); compensation for the allotment garden association is determined separately and covers association-owned assets. However, plot users without a formal agreement with the allotment garden association are not covered.		
Assistance in Restoring/Improving Living Standards	Art. 21(7)–(8) of the Special Flood Act	Partial compliance	The provisions provide for additional compensation (10,000 PLN in the case of physical displacement), but lack a comprehensive approach to restoring living conditions.	Establishing eligibility criteria for livelihood restoration and improvement programs; developing support programs for the restoration or reestablishment of income sources; allocation of replacement land or support in the process of acquiring such land; support for vocational retraining for farmers who cease agricultural activities.	LARAP; Entitlement Matrix
Choice Between Replacement Land and Cash Compensation	Art. 131 of the REMA	Compliance	The regulations permit the allocation of replacement land with the owner's consent.	N/A	N/A
Adequate Housing with Security of Tenure	Art. 131(5) of the REMA; Art. 25(3) of the Special Flood Act	Partial compliance	Compensation in the form of replacement land (including house or apartment) may be granted where suitable replacement land is available and the PAP consents. In such cases, the PAP acquires ownership, which is recorded in the land and mortgage register. Where no replacement land is available, compensation is paid in cash. The regulations require the designation of replacement housing in the event of expropriation of a residential property, but do not specify detailed quality standards or security of tenure safeguards. Replacement housing is not compensation within the meaning of the Act; it is a temporary protective measure intended to safeguard the interests of	Replacement housing is provided in every case where the PAP must undergo physical displacement before acquiring a new home or residential unit, including where the property is vacated after the deadline specified in the IPIP decision, provided the PAP does not own any other residential unit. Replacement housing is made available for the period until the PAP acquires legal title to the target property — whether purchased using compensation funds or allocated as replacement property. The PIU assists the PAP in the	LARAP; Entitlement Matrix

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
			Affected Persons where a residential property is acquired within the timeframe specified in the IPIP, and applies only until the Affected Person secures alternative housing independently.	process of acquiring legal title to the target property and covers documented transaction costs associated with its acquisition.	
Particular Attention to Vulnerable Groups	No applicable regulations	Non-compliance	Polish law does not require the planning of specific measures to provide additional support to particularly vulnerable social groups (the elderly, people with disabilities, the poor, and others who may have special needs).	Identification of PAPs belonging to particularly vulnerable groups during the socioeconomic survey phase. Development of additional tailored support measures for each identified individual or household. The effectiveness of these measures is documented in the LARAP implementation report.	Socio-economic survey; LARAP; LARAP Monitoring and Evaluation Report
Protection against forced eviction	Art. 25(6)–(7) of the Special Flood Act; Act on Administrative Enforcement Proceedings	Compliance	The provisions regulate the enforcement procedure and include safeguards consistent with ESS5	N/A	N/A
Compensation for loss of livelihood	Art. 128 of the REMA; Art. 20 of the Special Flood Act; Act of 20 March 2025 on the Labor Market and Employment Services (Journal of Laws 2025, Item 620)	Partial compliance	Polish law does not provide for compensation for economic losses other than the loss of land—in particular, for lost profits, the costs of relocating a business, or disruptions to its operations. This applies to both formally and informally operating businesses. However, a range of rights for employees related to job loss is provided for. Individuals who have lost their jobs after registering with the Employment Office receive health insurance and unemployment benefits, assistance in finding work, and access to training to improve their professional qualifications.	Establishing eligibility criteria for livelihood restoration and improvement programs; developing support programs for the restoration or reestablishment of income sources; allocation of replacement land or support in the process of acquiring such land; support for vocational retraining for farmers who cease agricultural activities. Payment of compensation to PAPs affected by disruption to business operations; the type and conditions of support are specified in the Entitlement Matrix; the amount of compensation is determined on a case-by-case basis on the basis of a licensed real estate appraiser's	LARAP; Livelihood Restoration Plan; Entitlement Matrix; Compensation Agreements

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
				opinion; compensation is paid pursuant to a written agreement.	
Support for Persons with Land-Based Livelihoods	Art. 131 of the REMA (replacement land); Art. 135(5)–(7) of the REMA (compensation for plantings, crops, harvests, and tree stands); Art. 21(10) of the Special Flood Act (allotment gardens)	Partial compliance	The regulations take into account the value of crops and plantings, but there is no comprehensive framework for restoring land-based livelihoods. No provisions address compensation for losses other than land, plantings, and crops. Agricultural subsidies tied to cultivated land may be transferred to replacement land obtained as compensation for expropriation.	Establishing eligibility criteria for livelihood restoration and improvement programs; developing support programs for the restoration or reestablishment of income sources; allocation of replacement land or support in the process of acquiring such land; support for vocational retraining for farmers who cease agricultural activities.	LARAP; Livelihood Restoration Plan; Entitlement Matrix; Compensation Agreements
Access to Alternative Resources Upon Loss of Access to Natural Resources	Art. 21(10) of the Special Flood Act (allotment gardens); Art. 131 of the REMA (replacement land)	Partial compliance	Provisions exist regarding replacement land and the protection of allotment gardens, but there is no broader regulatory framework addressing access to alternative natural resources.	Preliminary identification of natural resources used by PAPs, conducted as part of a social assessment; valuation of lost access to resources by a licensed real estate appraiser in the form of an appraisal report; compensation for loss of access to natural resources and measures to ensure alternative access, as specified in the Entitlement Matrix. Compensation is paid on the basis of a written agreement.	LARAP; Livelihood Restoration Plan; Entitlement Matrix; Compensation Agreements
Transitional support	Art. 21(7)–(8) of the Special Flood Act	Partial compliance	The provisions offer limited transitional support, a lump-sum benefit of PLN 10,000 for vacation of a residential property. However, there are no comprehensive provisions addressing transitional support in the event of economic displacement. The regulations require the designation of replacement housing in the event of expropriation of a residential property, but do not include detailed quality standards or security of tenure safeguards. Replacement	Payment of transitional support to PAPs affected by physical or economic displacement. Payment of transitional support to PAPs affected by economic displacement for the period from the date of loss of access to assets until the documented resumption of activities; the type and conditions of support are specified in the Entitlement Matrix; the amount of	LARAP; Livelihood Restoration Plan; Entitlement Matrix; Compensation Agreements

ESS Requirement	Relevant Provisions of Polish Law	Compliance Status	Analysis	Corrective measures	Implementing document
			housing is not compensation within the meaning of the Act and is available only where the residential property is acquired within the timeframe specified in the IPIP; where the property is acquired after that deadline, the PIU is no longer required to provide replacement housing.	support is determined on a case-by-case basis on the basis of a licensed real estate appraiser's opinion; support is paid pursuant to a written agreement.	

7 Principles for Planning and Implementing Resettlement

The project planning and implementation process is conducted in accordance with the following principles set forth in ESS5:

1. All PAPs are entitled to compensation for land and related assets or to alternative, equivalent forms of support in lieu of compensation. The lack of a formal legal title to lost assets does not deprive PAPs of their right to compensation or other forms of support.
2. The amount of compensation corresponds to the full amount due to the eligible owner or user of the lost asset. If the compensation determined in administrative proceedings does not meet the replacement cost standard required by ESS5, the Investor shall provide additional compensatory measures to cover the identified difference.
3. Compensation for land, buildings, unharvested crops, and all other fixed assets shall be paid prior to the occurrence of the impact or the loss of physical possession of the plot.
4. Where agricultural land is acquired for the Project, the Investor shall endeavour to provide replacement land with equivalent production potential—if this is the form of compensation preferred by PAP.
5. Public services and infrastructure affected by the Project will be repaired or restored.
6. PAPs are consulted during the development of the LARAP. The consultations aim to incorporate PAP preferences into the resettlement planning process.
7. The LARAP—in both its draft and final versions—is made publicly available in a manner accessible to PAPs.
8. The investor establishes a grievance mechanism and operates it in a responsive manner. PAPs may use this mechanism to file grievances at any stage of the Project's implementation.
9. The investor bears full responsibility for covering all costs associated with acquiring the Project land, including compensation and other benefits due to the PAP.
10. LARAP sets forth monitoring principles that enable an assessment of the status and effectiveness of its implementation.

8 Socio-economic conditions in the project area

The socio-economic characteristics presented in this section are based on desk-based research using publicly available secondary data, rather than a dedicated field-based socio-economic survey of PAPs. Sources include the Local Data Bank (Bank Danych Lokalnych) and other statistics published by the Central Statistical Office (GUS), as well as public opinion research conducted by the Public Opinion Research Center (CBOS). A PAP-level socio-economic survey, based on primary data collected directly from affected persons, will be conducted as part of each Task's LARAP.

8.1 Demographic and Socio-Economic Characteristics

The areas covered by the Project are located in rural regions with a complex demographic and economic context. The key conditions at the national and local levels are presented below.

The area of Poland is home to approximately 37.5 million people, but the population is steadily declining. At the end of 2024, the natural population decline reached -4.2 per 1,000 residents. Forecasts by the Central Statistical Office (GUS) indicate that by 2060, the population will decrease by over 17%. This process primarily affects rural areas and smaller urban centers.

Poland has one of the most fragmented agricultural land ownership structures in the European Union. The average farm size is 11.59 ha nationally, falling to 4.36 ha in Małopolskie Voivodship and 5.21 ha in Podkarpackie Voivodship, compared to 18.60 ha in Dolnośląskie Voivodship. Agriculture accounts for 3.3% of Poland's GDP, though its significance is considerably greater in rural areas, where it constitutes the primary source of livelihood and an important element of local identity. Income per conversion hectare amounted to PLN 5,429 annually in 2024. Sentiment in the agricultural sector ranks among the lowest of all occupational groups, with 58% of farmers rating their economic situation as poor.

The real estate market in rural areas is often characterised as limited, with concerns that finding replacement plots of comparable agricultural productivity may be difficult, potentially undermining the feasibility of land-for-land compensation. However, this general characterisation requires important qualification in the context of Poland's current market conditions, particularly with respect to the voivodeships most likely to be affected by subprojects under this framework — including Małopolskie and Dolnośląskie.

Poland's real estate market demonstrates broad national functionality. According to data published by the Central Statistical Office (GUS), in 2024 a total of 566,300 purchase-sale transactions were registered nationwide, with a combined value of PLN 257.4 billion — representing an 8.0% increase in transaction volume and a 21.1% increase in total value compared to 2023. Notarial deeds for all major property categories increased year-on-year, including a 13.2% rise in sales of undeveloped plots and a 0.6% increase in agricultural property transactions, with over 59,300 agricultural property sales concluded across Poland in 2024 alone. This breadth of market activity — spanning residential, commercial, undeveloped, and agricultural land — is indicative of a liquid and structurally functional national market, not one confined to urban centers.

The regional structure of transactions in Małopolskie and Dolnośląskie is particularly relevant. GUS regional data for 2024 shows that undeveloped land transactions accounted for 38.2% of all transactions in Małopolskie and 23.0% in Dolnośląskie. In Dolnośląskie, overall transaction volumes were among the highest in Poland, with residential unit sales representing 63.9% of all transactions — the highest share of any voivodeship — reflecting exceptional market depth across the region. The high turnover of undeveloped land in Małopolskie in particular reflects an active rural land market combining significant agricultural use with strong demand from residential and investment buyers. Both voivodeships significantly exceed the national average in overall market activity, meaning that replacement land options, including agricultural and rural plots, are regularly transacted in these areas.

Sustained price growth confirms consistent and long-term market demand. Residential property prices across Poland rose by 15.0% in 2024 relative to 2023, and have more than doubled since 2015 (cumulative index: 206.7, with 2015 = 100). Secondary market prices increased by 13.4% year-on-year and by 115% over the decade. While these indices primarily reflect residential units, decade-long price appreciation across all property categories reflects consistent demand, an operational valuation basis, and the capacity of the market to price diverse property types

including rural and agricultural land — all prerequisites for the practical implementation of land-for-land compensation.

The evidence above indicates that Poland, including the regions most likely to be affected by Tasks under this framework, has a functionally operating real estate market with sufficient transaction volumes and price transparency to support land-for-land compensation as a viable modality. While task-specific constraints — such as plot size, soil classification, or proximity to the affected household's farming operations — may in individual cases limit the available supply of suitable replacement land, this is a task-level implementation challenge rather than a structural market failure. It does not justify excluding land-for-land from the entitlement framework.

The demographic and socioeconomic characteristics of the areas where these Tasks will be implemented are presented below.

8.1.1 Task I.1 Flood Risk Reduction in the Vistula River Basin to Protect Kraków

The implementation area of Task I.1 covers the border region between Małopolska and Silesia—two provinces with the highest population densities in Poland (225.8 and 347.9 people/km^2, respectively, compared to the national average of 119.4 people/km^2). Over the past 20 years, the population in the Małopolska Voivodeship has generally increased, while in the Silesian Voivodeship it has decreased. All counties covered by the Contract have recorded a negative natural increase; the highest negative rate is in Chrzanów County (–6.96) and the city of Żory (–7.88). Women constitute the larger share of the population, particularly in age groups over 60, which reflects the statistically longer average life expectancy for women.

The age structure indicates a clear aging of the population—the share of people of post-working age has risen to 25.3% in the Silesian Voivodeship and reaches 24.3% in the municipality of Alwernia. Women account for 52–53% of registered unemployed persons in both provinces, although the total number of unemployed has fallen by approximately 73% over the past twenty years. The dominant sectors of the economy are trade, construction, and professional and technical services. Some municipalities—Wyry, Suszec, and Czernichów—are experiencing an influx of residents as commuter towns for the Kraków and Upper Silesian metropolitan areas; towns such as Alwernia, Libiąż, and Żory are characterized by unfavourable demographic trends.

The region is characterized by a highly fragmented agricultural structure—in Lesser Poland, the average farm is about 4 ha and comprises more than 6 plots, while in Silesia it is about 8 ha. Unresolved ownership issues, pending inheritance proceedings, and a large number of co-owners pose a serious obstacle to land acquisition for the Project and may prolong the negotiation process and the payment of compensation.

Map 2 Location of the planned polders along the Vistula River in the Małopolska Province, shown against the boundaries of municipalities

Mapa 3 Location of planned reservoirs on the Vistula's tributaries in the Silesian Voivodeship, overlaid on municipal boundaries

8.1.2 Task I.2 Flood Risk Reduction from Kraków to Zawichost

Task I.2 includes the preparation of investments aimed at increasing flood storage in the Vistula River valley between Kraków and Zawichost, including, but not limited to, investments within the municipalities of Koszyce, Szczurowa, Padew Narodowa, and Baranów Sandomierski, in the Przykop area, and within Mielec County, as well as at other locations identified on the basis of the analyses undertaken. The Task also includes the implementation of selected investments, subject to the results of the relevant analyses and assessments.

The municipalities of Koszyce, Szczurowa, Padew Narodowa, Przykop, and Baranów Sandomierski are distinctly rural in character. Social and economic life is based primarily on agriculture, small-scale services, and employment in the public sector. The communities in these municipalities are deeply rooted, and attachment to the land and the surrounding area plays a key role in the daily lives of residents.

All four municipalities are experiencing a negative natural increase that exceeds the national average. The municipality of Koszyce has a natural increase of -6.29 per 1,000 residents, while the municipality of Szczurowa has a natural increase of -3.28. Forecasts indicate further depopulation—by 2060, the Proszowice County may lose over 22% of its population, and the Tarnobrzeg County—over 29%.

The age structure confirms the aging of the population. In the Koszyce municipality, 25% of residents are of post-working age. The old-age dependency ratio stands at 32.2 in Koszyce and 28.3 in Szczurowa. The percentage of people with a college degree is significantly lower than the national average—11.1% in the municipality of Szczurowa and 10.6% in Koszyce.

Agriculture dominates the employment structure. In the Koszyce municipality, over 50.9% of the workforce is employed in the agricultural sector. Small, family-run farms with an area of 4–5 ha predominate. The number of employed persons per 1,000 residents is significantly lower than the national average—92 in Szczurowa and just 55 in Koszyce, compared to a national average of 259. Average wages are 13–24% lower than the national average.

The local labor market is limited. There are virtually no medium- or large-sized employers in these municipalities. The vast majority of businesses are family-run microenterprises. The low share of corporate income tax revenue in municipal budgets confirms the weak economic base outside of agriculture.

In this context, the loss of agricultural land signifies not only a financial loss but also a disruption of the multigenerational model of livelihood and identity for local communities. Detailed socioeconomic data on the PAP will be collected during the development of individual LARAP plans.

As part of Task I.2, project activities also cover the Mielec County area. Unlike areas with a distinctly rural character, the Mielec County (with a population of approximately 133,000 and a population density of 151 people/km^2) is characterized by an agricultural-industrial profile with a very strong industrial presence.

As in neighbouring municipalities, the county's population is on a steady downward trend. The natural increase is negative (the net change was -225 people in 2022), indicating a progressive

process of depopulation and an aging population in the region. Women slightly outnumber men in the gender structure.

However, economic life and the employment structure differ drastically from those of neighbouring areas. Industry accounts for approximately 60% of jobs here. The main economic driver is the EURO-PARK Mielec Special Economic Zone, with which numerous local companies in the construction, transportation, and trade sectors cooperate. Agricultural activity has been pushed to the margins and dominates only in the counties bordering the district (e.g., in the municipality of Gawłuszowice).

The local labor market is highly absorbent. The unemployment rate remains stable at a very low level of 5.2–5.3% (data for 2023 and 2024), making the Mielec County the second-lowest unemployment market in the Podkarpackie Voivodeship (the voivodeship average is 8.4–9%).

8.1.3 Task I.3 Flood Risk Reduction in the Biała Lądecka Catchment of the Nysa Kłodzka

The municipalities of Lądek-Zdrój and Stronie Śląskie are located in the southern part of Kłodzko County. The demographic profile of both municipalities is among the most challenging in the Lower Silesian Voivodeship.

The municipality of Lądek-Zdrój has 4,914 residents—24% fewer than in 2002. The average age of residents is 47.4 years, compared to the provincial average of 43.4 years. The natural population growth rate is -13.02 per 1,000 residents. The percentage of people of post-working age reaches 31.9%. The municipality of Stronie Śląskie has a population of 6,721, representing a 17.3% decline since 2002. The natural population growth rate is -8.78 per 1,000 residents.

The unemployment rate in Kłodzko County is among the highest in the province, standing at 13.1%, compared to a national average of around 6%. Per capita tax revenue is significantly lower than the national average. In the municipality of Lądek-Zdrój, it amounts to 1,821.79 PLN, and in Stronie Śląskie, 2,058.59 PLN, compared to a national average of 2,788.93 PLN. The economies of both municipalities are based on tourism—spa tourism in Lądek-Zdrój and active tourism in Stronie Śląskie.

The flood of September 2024 significantly altered the social and infrastructural situation in the area. In the Biała Lądecka Valley, the flood affected approximately 1,950 buildings. In Lądek-Zdrój, the building inspectorate decommissioned 75 buildings; in Stronie Śląskie, 31. By mid-2025, more than 890 people were unable to return to their homes. The flood destroyed not only homes but also access infrastructure, tourist facilities, and residential buildings. Both local governments are implementing record-breaking investment budgets financed by external grants, most of which are earmarked for flood recovery efforts.

This context is of significant importance to the Project. Investments in the Biała Lądecka catchment concern an area that is still recovering from the disaster. Local communities have not yet regained full stability. The flood seriously undermined their sense of security. The investor must take this particular sensitivity into account when planning the LARAP for this area.

8.1.4 Task II.1 Construct the Kamieniec Ząbkowicki multifunctional reservoir

The municipalities of Kamieniec Ząbkowicki and Bardo are located in Ząbkowice County. The municipality of Kamieniec Ząbkowicki has a population of approximately 7,326, while the municipality of Bardo has a population of 4,910; approximately 6,300 people live in the reservoir's immediate impact zone. Both municipalities are experiencing a deepening negative natural growth rate—in the municipality of Bardo, it stood at -14.05 per 1,000 residents in 2024, compared to -5.0 for the province and -4.2 for the country. GUS projections foresee a further systematic decline in the county's population. In both municipalities, there is a growing surplus of women in the post-working-age group—the percentage of people in the post-working-age group stands at 26.4% in the municipality of Bardo. The phenomenon of the feminization of old age translates into a specific profile of needs for this group: living alone, lower retirement incomes, and limited mobility, which has direct implications for the design of consultation and assistance activities within the framework of the Task.

The unemployment rate in Ząbkowice County is 10.4%, compared to 5.1% for the country as a whole. The average gross wage is 85.6% of the national average. The local economy is based on industry and construction (34.7% of the workforce) as well as services, trade, and transportation (19.3%). Agriculture provides a livelihood for 15.7% of the economically active population, with individual farms predominating. A characteristic feature is high occupational mobility—a significant portion of income is generated in external labour markets. The economic situation of farmers is particularly difficult: the median monthly income per person is 2,200 PLN, the lowest figure among all socio-occupational groups. The loss of land by farms operating at the break-even point can have a significant impact on them, even when the area being acquired is small in absolute terms. The main economic entity directly linked to the investment area is KSM "Byczeń"; mining operations will mostly cease before the reservoir is constructed due to the depletion of the deposits.

8.2 Land Ownership and Use Structure

The areas covered by the Project vary significantly in terms of land ownership and use. These differences have a direct impact on the land acquisition process and LARAP planning.

8.2.1 Task I.1 Flood Risk Reduction in the Vistula River Basin to Protect Kraków

The municipalities covered by Task I.1 are mixed in character—agricultural in the Lesser Poland region and industrial and mining in the Silesian region. The proportion of agricultural land held by individual farms within the counties varies: it is highest in Kraków County (43%) and Pszczyna County (38%), and lowest in Chrzanów County (10%) and Mikołów County (24%), reflecting the degree of urbanization and industrialization in each area.

Land ownership is highly fragmented, particularly in Lesser Poland, where the average farm size is approximately 4 ha, and there are more than 6 parcels per farm. In the Silesian Voivodeship, the average is approximately 8 ha; however, agriculture plays a marginal role here due to the high degree of urbanization. Such a high degree of fragmentation means that acquiring land for the planned facilities requires conducting proceedings involving a very large number of owners and plots. This process is further complicated by the lack of up-to-date data in the EGiB, pending inheritance proceedings, and unresolved legal statuses of plots.

8.2.2 Task I.2 Flood Risk Reduction from Kraków to Zawichost

The areas covered by the analyses undertaken to date under Task I.2 are predominantly agricultural, with arable land accounting for the majority of the land-use structure. This applies, inter alia, to the areas analyzed in the vicinity of Koszyce and Szczurowa. Land ownership is highly fragmented and includes properties owned by private individuals, the State Treasury, municipalities, and other entities. This description relates to the areas included in the analyses undertaken to date, the final spatial extent of which may change as a result of further work.

The ownership structure reflects the historical agricultural model in Małopolska and Podkarpacie, where small, multigenerational family farms predominate. The average farm size is 4.36 ha in the Małopolskie Voivodeship and 5.21 ha in the Podkarpackie Voivodeship. More than 75% of farms in both voivodeships are smaller than 5 ha. This high degree of ownership fragmentation is an important consideration when assessing options whose implementation could require land acquisition or the introduction of restrictions on land use.

Agricultural land in the areas covered by the analyses may be eligible for EU direct payments. This should be taken into account when assessing the potential impacts of the individual options on land use and the situation of agricultural holdings.

The areas of Mielec County covered by the Project have a complex spatial structure. Despite the region's industrialized profile, agricultural land accounts for nearly 63% of its total cadastral area of 88,050 ha, with arable land clearly predominating at more than 41,000 ha. Forest and wooded land also account for a significant share, approximately 29%. Land ownership outside urbanized areas is fragmented and reflects the agrarian structure historically characteristic of Podkarpacie. The average farm size in the Podkarpackie Voivodeship is 5.21 ha, and more than 75% of farms are smaller than 5 ha.

However, the economic structure of the county significantly affects the nature and relative importance of potential social impacts compared with the region's typically agricultural municipalities. Given the predominance of industry, which accounts for approximately 60% of employment, and the exceptionally low unemployment rate of approximately 5.2%, agriculture is not the sole or primary source of household income across most of the area. The dynamic development around the EURO-PARK Mielec Special Economic Zone is also contributing to increasing pressure on urbanized land and land designated for investment, which account for approximately 8% of the county's territory.

8.2.3 Task I.3 Flood Risk Reduction in the Biała Lądecka Catchment of the Nysa Kłodzka

The land ownership structure in the municipalities of Lądek-Zdrój and Stronie Śląskie differs significantly from that of the Małopolska region. Public ownership (by the State Treasury and municipalities) predominates, which stems from the mountainous nature of the terrain and the prevalence of forests and grasslands.

In the municipality of Lądek-Zdrój, the public sector controls approximately 63% of the municipality's area. The State Treasury is represented primarily by the State Forests. The

municipality manages municipal property, including parks, roads, and agricultural land leased for agricultural production. Private property accounts for approximately 37% of the area and is concentrated in river valleys, where residential buildings, guesthouses, and small farms are located.

In the municipality of Stronie Śląskie, the dominance of the public sector is even more pronounced. The State Treasury—primarily through the State Forests of the Lądek-Zdrój Forest District—controls 77.6% of the municipality's area (11,362 ha). Private property accounts for 17.3% of the area (2,533 ha), and municipal property for 3.8% (556 ha). Forests cover 76.4% of the municipality's area, making it one of the most forested municipalities in Poland.

Agricultural land in both municipalities consists predominantly of permanent meadows and pastures located in valley bottoms and on gentler slopes. Arable land accounts for a small percentage of the total area due to the mountainous terrain and the short growing season. Buildings are heavily concentrated along riverbeds—including the Biała Lądecka River—forming a strip-like pattern typical of the chain-like villages of the Sudetes.

Land use in both municipalities is subject to specific legal restrictions. In the municipality of Lądek-Zdrój, spa protection zones A, B, and C are of key importance, as they impose requirements regarding development and the minimum proportion of biologically active areas. In the municipality of Stronie Śląskie, approximately 70% of the municipality's area is protected under the Natura 2000 network.

The limited supply of private land in both municipalities is a significant factor in the land acquisition process. The availability of replacement plots with similar characteristics and locations is much lower here than in lowland areas. This complicates the use of "land-for-land" compensation and requires special attention when designing compensation packages for the PAP.

8.2.4 Task II.1 Construct the Kamieniec Ząbkowicki multifunctional reservoir

The land ownership structure within the reservoir's immediate impact area is diverse. Public ownership predominates—PGW Polish Waters (26%), the State Treasury through KOWR (21%), and the State Forests (5%)—accounting for a total of approximately 52% of the area. Private ownership by individuals accounts for 25%, while the remainder is controlled by municipalities and KSM "Byczeń," which is actively purchasing land for the Przyłęk–Pilce deposit.

In terms of land use, agricultural land predominates (1,130 ha, 73% of the area); however, a notable feature of the area is the high degree of post-mining degradation—more than half of the future pit area is covered by pits left after aggregate extraction, whose actual productive value is negligible. The agriculturally used lands consist of arable fields and pastures planted with cereals, corn, and rapeseed. Forests cover approximately 109 ha (7% of the area) and do not form large complexes; the only notable forest community is an oak-linden riparian forest growing along both banks of the Nysa River in the western part of the planned reservoir. Land under water covers 155 ha (10%), while built-up and urbanized land covers 61 ha.

The average area of agricultural land per farm in the Lower Silesian Voivodeship is 14.59 ha, which indicates a significantly more favourable agricultural structure than in Lesser Poland. Within the municipality of Bardo, agricultural land covers 3,053 ha out of a total area of 7,341 ha, while forests cover 3,544 ha, representing the highest forest cover rate in Ząbkowice County.

8.3 Vulnerable Groups

ESS5 requires that special attention be given to individuals and households belonging to vulnerable groups in the process of planning and implementing resettlement. Such groups are disproportionately exposed to the adverse effects of resettlement and may require additional support beyond standard compensation packages.

Based on an analysis of the sociodemographic conditions of the areas covered by the Project, the following particularly vulnerable groups were identified:

- **Older adults—**the Project areas are characterized by a high proportion of people of post-working age. In the municipalities of the Vistula River valley, between 21.8% and 25% of residents are of post-working age, and the demographic dependency ratio for older adults ranges from 27.7 to 32.2. In the municipality of Lądek-Zdrój, the percentage of people of post-working age reaches 31.9%, and the average age of residents is 47.4 years. Relocation is particularly difficult for older adults. It involves the loss of their current living environment, neighbourhood ties, and access to local health services. Older adults often have limited mobility and find it harder to adapt to new conditions. A plot is usually their only significant financial asset.

- **People with disabilities—**physical displacement requires adapting their new place of residence to the specific needs of this group. A change in location may limit access to rehabilitation facilities, specialized medical care, and social support networks.

- **Low-income families**—in the areas covered by the Project, average wages are 13–24% lower than the national average. The loss of farmland or a place of residence can disproportionately affect families who lack the resources to relocate on their own and rebuild their livelihoods.

- **Households headed by single mothers—**single mothers are particularly vulnerable to the effects of resettlement due to limited financial resources and the need to ensure continuous care for their children.

- **Children and adolescents—**forced resettlement may necessitate a change of school and peer group. Access to secondary education in rural areas is limited. A change of residence may therefore negatively impact children's educational prospects and intensify migration trends among young people from municipalities affected by resettlement.

- **People affected by the flood in the Kłodzko Basin—**residents of the Biała Lądecka catchment affected by the flood constitute a particularly vulnerable group due to the recent trauma of the September 2024 flood. These individuals' sense of security and stability has been severely compromised. Any subsequent action related to land acquisition or restrictions on land use will be viewed by PAP through the lens of their previous experiences.

The investor identifies PAPs belonging to vulnerable groups during the development of individual LARAP plans. This identification takes place during the census and socioeconomic surveys conducted by the LARAP Consultant. Belonging to a vulnerable group is taken into account when designing individual compensation and support packages. Merely being classified as part of a vulnerable group, without any connection to the plot subject to acquisition, does not entitle a person to compensation.

Each LARAP contains operational criteria for identifying PAPs belonging to vulnerable groups, enabling unambiguous and verifiable qualification during the census and socioeconomic survey. The criteria include, in particular: age above the threshold specified in the relevant LARAP; a disability or serious medical condition limiting the ability to adapt to changed living conditions or to maintain a livelihood; the status of a single parent; the presence of minor children in the household subject to significant impacts; and income that limits the ability to relocate independently. Meeting at least one of these criteria constitutes the basis for classifying a PAP as belonging to a vulnerable group and entitles them to additional support measures specified in the LARAP Entitlement Matrix.

Under each LARAP, the following support measures are provided specifically for vulnerable groups: priority in choosing the form and location of compensation; additional financial assistance to adapt new housing to specific needs; assistance with completing the paperwork related to changing one's place of residence; and priority access to the grievance mechanism, including home visits to file a grievance. Consultations with PAP members belonging to vulnerable groups are organized with due consideration for their communication abilities and mobility.

8.4 Implications for Support Measures and Restoration of Livelihoods

An analysis of the demographic, social, and economic conditions in both areas covered by the Project indicates the need for diversified and multi-level support measures. Simply paying compensation based on replacement cost is insufficient in situations where the loss of plots or land leads to a permanent deterioration in the living conditions of PAPs. This LARAF sets out the general guidelines for actions aimed at restoring livelihoods. Support measures for specific categories of PAPs will be detailed in the individual LARAPs.

The areas covered by the Project are characterized by agriculture as the dominant source of livelihood, fragmented farmland, a limited local labour market, and low incomes among residents. The loss of agricultural land may result in a permanent loss of livelihood—especially for older farmers who lack the opportunity to retrain. Similarly, the relocation of family-run microenterprises may lead to their permanent closure due to the limited economic resilience of these entities.

These circumstances give rise to the following general guidelines for actions aimed at supporting and restoring livelihoods, which must be incorporated into individual LARAP plans:

- for farmers—compensation for lost land and crops, support in reestablishing agricultural operations at a new location, and assistance with transferring eligibility for EU direct payments;
- for business owners—compensation for lost plots and income, support in finding a new location, and coverage of relocation costs;

- for workers losing their jobs— a transitional allowance for the period between job loss and re-employment, vocational support and retraining programs tailored to the local labour market structure;
- for those physically displaced—compensation for lost plots and structures, coverage of moving expenses, a transitional allowance and assistance with administrative procedures;
- for vulnerable groups—additional support tailored to their specific needs.

In addition to individual compensation for PAPs, individual LARAPs may provide for offset measures benefiting local communities. These include investments in public infrastructure and social services that strengthen local communities affected by resettlement. The scope of these measures is determined through dialogue with local governments and communities.

9 Alternative Analysis to Minimize Resettlements

ESS5 imposes on the Investor the obligation to actively seek to avoid or minimize resettlements. This obligation is not limited to the implementation phase—it applies as early as the planning and design phases. The Investor applies the hierarchy of measures set forth in Chapter4.2 of this LARAF: avoidance, minimization, mitigation, and compensation. Alternative analysis is the primary tool for implementing the first two levels of this hierarchy.

This chapter sets forth the principles and procedures that the Investor and the LARAP Consultant shall follow to minimize land acquisition and resettlements at every stage of the Project's preparation and implementation.

The Investor shall conduct a strategic-level alternative analysis before deciding on the project location and selecting a technical concept. The purpose of the analysis is to demonstrate that the selected location and technical concept minimize land acquisition and resettlements compared to alternative options. The Investor shall conduct consultations with affected stakeholders, including local communities, as part of this stage, to explore ways of minimizing impacts on the population, in accordance with the Task-level SEP.

When evaluating alternatives, the Investor shall apply the following social criteria:

- the number of PAPs and households requiring physical displacement;
- the area of agricultural land subject to land acquisition;
- the number of businesses requiring relocation;
- the extent of the impact on vulnerable groups;
- the extent of the impact on infrastructure and social services.

Social criteria shall be considered in conjunction with technical, environmental, and economic criteria. No single criterion shall be considered in isolation from the others.

The investor shall document the results of the strategic-level analysis of alternatives.

9.1 Requirements for minimizing resettlement during the design phase

Minimizing land acquisition shall be taken into account at every stage of technical design. The Investor shall ensure that requirements for minimizing resettlements are included in the Designers Team's scope of work from the very beginning of the design process.

During the design phase, the Designers Team shall collaborate with the Consultant's social team and shall conduct consultations with affected stakeholders and communities in accordance with the SEP, to consider measures to minimize land acquisition. These may include, for example, the following actions:

- optimizing the alignment of embankments, floodplain boundaries, and the extent of construction sites to limit the number of occupied lots and buildings;
- using construction technologies with a smaller spatial footprint where technically feasible;
- phasing of construction work;
- using existing roads and technical infrastructure instead of building new ones, where possible.

10 Eligibility Criteria and List of Eligible Persons

10.1 Definition of a Project Affected Person (PAP)

In accordance with ESS5, Affected Persons may be classified as those who:

(a) have formal legal rights to land or assets;
(b) do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or
(c) have no recognizable legal right or claim to the land or assets they occupy or use.

For the purposes of this document, a Project-Affected Person (PAP) is any individual, household, legal entity, or unincorporated entity that, as a result of Project implementation, experiences physical displacement (relocation, loss of residential land, or loss of shelter), economic displacement (loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood), or other permanent or temporary impacts in the form of the loss or restriction of:

- formal or other property rights to land;
- access to land or resources, whether based on contractual arrangements or informal use; or
- a place of residence or a place to conduct business or agricultural activities.

PAP status may be granted, in particular, to the following categories:

Category 1 — Persons with Formal Legal Rights to Land

- owners of residential, agricultural, and other land within the Task footprint**,**

- owners of structures within the Task footprint, including persons subject to physical displacement;
- perpetual usufructuaries of land owned by the State Treasury or local government units;
- lessees and other users of land under contractual arrangements, including agricultural lessees of land belonging to KOWR and other public or private entities;
- allotment garden users with a formal agreement with an allotment garden association;
- tenants of residential and commercial premises,
- life tenants, as defined in Chapter 2 (Definitions);
- holders of limited property rights over land or structures, including easements, mortgages, liens, usufruct, and cooperative ownership rights to residential premises.

Category 2 — Entities Engaged in Business Activities

- legal entities and solo entrepreneurs conducting business activities on land subject to acquisition, including entities engaged in mining/extraction, agriculture, services (HoReCa, tourist-related services etc.), or other commercial activities;
- owners of land subject to acquisition who lease that land to third parties and derive income from such lease, where that income constitutes a source of livelihood, in respect of the resulting loss of rental income;
- natural persons conducting informal or unregistered business activities on land subject to acquisition or on publicly owned land, identified during the census and socioeconomic survey.

Category 3 — Informal Users

- independent possessors who actually occupy land or an asset without formal legal title, whether or not the period for adverse possession has expired;
- allotment garden users without a formal agreement with an allotment garden association;
- individuals using land informally, identified during the census and field observations,
- persons exercising limited property rights over land or structures — such as easements or usufruct — without formal legal title.

Category 4 — Entities Affected by Restricted Access to Common Resources

- entities whose access to grazing areas, hunting, fishing, forest, or water resources will be restricted or eliminated as a result of Project implementation;
- local communities that rely on common natural resources within the Task footprint.

Category 5 — Employees and Dependent Workers

- employees of entities operating on land subject to acquisition or employees affected by the disruption or closure of a business as a result of Project implementation (including businesses operating in shops, restaurants, rental properties, hotels, and similar premises) who will lose their employment or source of income as a result of Project implementation.

The specific categories of PAPs identified for individual Project Tasks are defined in the LARAP prepared for each Task. During the census and socioeconomic survey, the presence of informal users as well as informal workers without legal title is verified; where identified, such persons are eligible to receive

compensation and additional support set out in the Entitlement Matrix in accordance with the principles of this document.

Each LARAP prepared under the Project specifies operational criteria for classifying impacts as significant, tailored to the nature of the relevant Task and the PAP's income structure, and complying at a minimum with the following guidelines.

The following categories of impact are considered significant. Classification of an impact as significant does not affect a PAP's eligibility for compensation and assistance under ESS5; it is used as an operational category to determine eligibility for enhanced assistance and livelihood restoration measures, in addition to the compensation and support to which the PAP is entitled regardless of this classification:

1. Physical displacement — loss of shelter requiring relocation.
2. Economic displacement — loss of income sources or livelihoods resulting from the loss of agricultural or productive land or of structures in which a business operates,, disruption or cessation of economic activities, or loss of access to common resources. Each LARAP specifies impact thresholds for each of these categories.
3. Loss of access to resources of critical importance to local communities — the permanent loss or destruction of resources whose absence significantly worsens the living conditions or functioning of local communities, regardless of the individual scale of impact on specific PAPs.
4. Vulnerability — households classified as belonging to vulnerable groups in accordance with the criteria set out in this document are subject to enhanced support measures, regardless of the scale of physical or economic impact.

The classification of individual PAPs is conducted on a case-by-case basis within each LARAP, on the basis of census results, socioeconomic survey findings, and consultations with PAPs, and is updated in accordance with monitoring results.

10.2 Eligibility and Cut-off date

The cut-off date is the final date of the IPIP or RIIP decision, in accordance with the applicable procedure for implementing the Task. If the decision is declared immediately enforceable, the cut-off date is the date on which such enforceability is declared.

The cut-off date is intended to identify and register all persons residing in the area covered by the Task, along with their property, the manner in which the plots are used, and their rights—regardless of whether they hold formal legal titles—as well as to ensure that persons affected by the Task receive compensation at the replacement cost.

As of the cut-off date, the list of persons eligible for compensation and support is closed, and no further updates are made. Heirs and other legal successors of persons who held rights prior to the cut-off date retain those rights. Persons who settle within the Task area, construct structures there, or begin using the land after the cut-off date are not eligible for compensation.

The surveys needed to finalize the list of PAPs shall be completed prior to the cut-off date, with the possibility of updates prior to the commencement of works, to ensure that PAPs' status and entitlements remain contemporary.

The cut-off date will be made public and communicated directly to the affected community during public consultations, in accordance with the relevant procedures.

The PIU shall establish and disclose the criteria by which PAPs will be deemed eligible for compensation and other assistance in connection with land acquisition, as set out in this LARAF in accordance with Polish law and ESS5; no additional eligibility criteria beyond those set out in this document shall be introduced. This procedure shall include provisions, set out in each LARAP, regarding consultations with individual PAPs, households, local community leaders, local authorities, and, where applicable, non-governmental organizations (NGOs).

In accordance with ESS5, the following categories of persons are eligible for compensation and assistance in connection with land acquisition resulting in physical or economic displacement:

(a) persons holding formal legal rights to land or other assets affected by the Project;

(b) persons who do not hold formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law, including claims derived from adverse possession or customary or traditional tenure arrangements, or identified during the preparation of the LARAP;

(c) persons who have no recognizable legal right or claim to the land or assets they occupy or use.

Persons falling under (a) and (b) are entitled to compensation for lost land and other assets, as well as additional assistance. Persons falling under (c) are entitled to resettlement assistance in lieu of compensation for land, and, where necessary, other assistance to achieve the objectives of ESS5 — provided they occupied the project area prior to the cut-off date.

Persons who occupy land after the cut-off date are not eligible for compensation or other resettlement assistance. All persons falling under (a), (b), and (c) are entitled to compensation for lost assets other than land. The absence of formal legal title to land shall not in itself constitute a basis for denying compensation or other assistance due in connection with land acquisition.

In Poland, the category of persons without formal legal title to land is narrow, reflecting the high level of formalization of land ownership and the well-developed land registration system. Persons using land or occupying structures without legal title (including buildings constructed without the required building permit) are generally aware of the informal nature of their occupation and of the risk that the land may be reclaimed by the owner at any time.

The following chapters define the categories of impacts on PAPs, the categories of Affected Persons, and the eligibility criteria applicable to each category, as well as the entitlements associated with each. The primary eligibility criterion is the location of a PAP's land or other assets within the project area prior to the cut-off date. Land directly affected by the planned works shall be included within the defined Task footprint. Particular attention shall be paid to verifying claims submitted by members of vulnerable groups, to ensure that such claims are not rejected solely due to the absence of formal documentation, and that the verification process itself does not create an undue barrier to their access to compensation and assistance.. In cases of doubt, local authorities or community leaders shall be consulted.

Persons present in the project area prior to the cut-off date are eligible for compensation, unless it is demonstrated that they have already received appropriate compensation in connection with the Project.

ESS5 may apply to land acquisition and/or restrictions on land use that occurred prior to project identification, where the World Bank, in consultation with the PCU and PIUs, determines that the land acquisition and/ or restriction on land use was directly linked to the eventual Bank-financed project and was undertaken in anticipation of, or in preparation for, the project. However, this does not mean that all historical displacement at the project site falls within the scope of ESS5. Rather, the provision is intended to cover displacement that occurred reasonably close in time to the development of the Bank-financed project and has a clear nexus to it.

In such cases, the PCU and PIUs are expected to undertake a due diligence review (or audit) to: (i) document and assess the adequacy of previous measures taken to address the environmental and social impacts of the resettlement; (ii) assess compliance with applicable national legislation; (iii) identify gaps against the requirements of ESS5; (iv) identify any outstanding complaints, grievances, or unresolved issues; and (v) determine measures to address identified gaps and resolve outstanding issues. The scope and timing of the due diligence and resulting corrective measures should be proportionate to the project context and the significance of the prior resettlement.

The categories of persons eligible for compensation or assistance in connection with the Project are set out in Chapter 10.1.

Eligibility for compensation is limited in time by the cut-off date established separately for each Task in accordance with the principles set out in this LARAF.

The PAP inventory is conducted as part of the preparatory process prior to submission of the IPIP application and forms the basis for the application documentation. The cut-off date is not the date on which the inventory is completed, but the date on which the IPIP decision becomes final (or the date on which immediate enforceability was granted). The PAP list remains open to updates until that date.

Between the date of issuance of the IPIP decision and the date it becomes final, ownership of the expropriated land passes to the State Treasury by operation of law upon finality, regardless of the time elapsed. Deadlines apply to compensation negotiations: where no agreement is reached within two months of the IPIP decision becoming final, the amount of compensation is determined by decision of the Voivod.

As of the cut-off date, the list of persons eligible for compensation and assistance is closed. Persons who informally acquired rights to land after that date do not obtain a separate entitlement to compensation; as a general rule, compensation is due to whoever held ownership or perpetual usufruct on the date the IPIP decision became final. An exception applies to rights acquired through inheritance — probate proceedings do not preclude eligibility where they concern rights that existed prior to the cut-off date.

PAPs who hold legal title to land subject to expropriation are entitled to cash compensation or replacement land, provided they held such title as of the date of issuance of the IPIP decision.

Where a mortgage or other limited property right is registered against land or structures subject to acquisition, that right expires upon the relevant decision becoming final. Compensation corresponding to the value of the extinguished right — in the case of a mortgage, equal to the

secured principal debt together with the interest secured by that mortgage — is paid directly to the holder of the right and is credited toward repayment of the debt it secures; the compensation otherwise due to the owner is reduced by the corresponding amount, save that the combined compensation payable to the owner and to holders of extinguished limited property rights may not exceed the value of the property (Article 20 of the Special Flood Act; Article 12(1a)–(1d) of the Special Road Act). Where satisfaction of the mortgage from the compensation otherwise due to the owner leaves the owner without sufficient means to secure replacement housing on an ownership basis, the PIU shall provide access to replacement housing on a rental or other non-ownership basis, on the same terms as the temporary accommodation described in the Basic Principles Adopted in the LARAF. Where the owner secures a new mortgage to finance replacement property, the PIU covers the documented transaction costs of that mortgage (arrangement, notary, valuation, and land registration fees).

PAPs whose place of residence or contact address cannot be determined remain eligible for compensation. All possible and legally permissible steps will be taken to establish their contact address and deliver compensation to them. Where this is not possible, compensation will be deposited into an escrow account from which the eligible person may withdraw it at any time.

10.3 Eligibility and Compensation

Eligibility for compensation and additional support will be determined according to the following principles:

- PAPs who legally own land within the project footprint will receive compensation at replacement cost for the loss of ownership, and where feasible and where they so decide compensation in the form of replacement land of equivalent value in accordance with the land-for-land principle; in the case of permanent restrictions on land use, compensation will reflect the resulting decrease in the land's market value;
- PAPs who are tenants, leaseholders, life tenants, and other dependent holders of land within the project footprint will receive full compensation for the loss of these rights,
- PAPs holding limited real property rights (easements, usufruct, mortgages) will receive full compensation for the loss of these rights,
- Owners of crops, plants, buildings, and other structures attached to the land will receive compensation for these crops, plants, buildings, and structures,
- Residents of houses and apartments who will have to be relocated will, in addition to compensation under the above terms, receive assistance with resettlement, adequate access to social infrastructure, and, if necessary, additional support measures,
- PAPs who, as a result of the Project's implementation, lose income, employment, or the ability to conduct business will receive appropriate compensation and, if necessary, additional support measures,
- PAPs who occupy land within the project area informally—without legal title and without any prospect of acquiring legal title— are not eligible for compensation for the land itself, as this is not possible under Polish law. However, these individuals will receive compensation for plants and structures they own and, if necessary, additional support to restore or improve their living standards.

PAPs will be entitled to compensation for the following categories of impacts/losses:

- Permanent loss of plots—where feasible and where the PAP so decides, compensation will be provided on a “land-for-land” basis by granting plots of similar value, location, and functions as the expropriated plots. If suitable replacement land is not available, if the PAP does not opt for replacement land, compensation or if only a small part of the land is acquired, compensation will be paid in cash at the market value of the expropriated land or the part thereof. Where the PAP surrenders the land by the deadline specified in the IPIP decision, compensation may be increased by an amount equal to 5% of the value of the expropriated land, in accordance with the Special Flood Act. Where the expropriated land is eligible for EU agricultural subsidies, the replacement cost standard does not apply to the valuation of those subsidy entitlements.
- PAPs who hold legal title to land other than as owners or perpetual usufructuaries — such as tenants and lessees — will receive compensation corresponding to the value of the expropriated rights, including, where applicable, compensation for lost income or loss of livelihood resulting from loss of access to the land, as well as compensation for crops, plantings, and structures they own.
  At the PAP's request, the PIU will acquire the land in its entirety and provide compensation in accordance with the above terms. All transaction costs, including taxes related to the award of compensation for expropriation, will be borne by the PIU.
  PAPs who occupy land within the project area without legal title are not eligible for compensation for the land itself. However, they will receive compensation for plantings and structures they own and, where necessary, additional support to restore or improve their living standards.
- Permanent restrictions on land use - as a general rule, compensation for permanent restrictions on land use will be paid in cash, reflecting the resulting decrease in the land's market value. The severity of permanent restrictions may vary: in the case of significant restrictions, a full buyout of the land may be carried out at the PAP's request; in the case of less severe restrictions in flood risk zones and buffer zones, monetary compensation reflecting the decrease in the land's market value may be sufficient, with the decision to request a buyout resting with the PAP. Depending on the circumstances, additional support will be offered. At the PAP's request, land subject to a permanent restriction on its current use may be expropriated, with compensation provided under the same terms as for the permanent loss of land.
- Residential buildings—compensation will be provided under the same terms as for the permanent loss of land. In addition, physically displaced PAPs will receive a lump-sum payment of 10,000 PLN. here the PAP does not have alternative housing and is unable to secure replacement housing independently — in particular due to difficult personal circumstances, limited financial resources, or a shortage of suitable housing on the local market — the PIU will provide replacement housing.
- Tenants without legal title — tenants occupying land without legal title are not entitled to compensation for the land; however, in certain cases the PIU is required to provide them with replacement housing. They will receive compensation at replacement cost for any structures, crops, and plantings they own, regardless of their permit status. These individuals will be offered support, including assistance in finding housing and, where they are unemployed, assistance in improving their position in the labour market.
- Non-residential structures and infrastructure (stables, fences, technical infrastructure, and similar) — as a general rule, owners and users of such structures will receive compensation on the same terms as for the permanent loss of land. The PIU will propose reconstruction of affected infrastructure networks and, where appropriate, structures and

buildings at the PIU's expense. Where a local government entity has constructed or is constructing affected structures using funds from the EU budget or other external sources, the cash compensation will be increased by the amount of recoverable grant funds, together with any interest due.

- The loss of plantings (including annual crops and perennial plantations) will be compensated to the owners of the land in cash, taking into account the costs of establishing and maintaining the plantings, as well as the value of lost yields during the period from the date of expropriation to the date of the end of full production.
- The loss of standing timber will be compensated in the same manner as for the loss of plantings. Depending on the case, compensation is also paid based on an estimate of the value of the timber that can be harvested.
- The impact on businesses and employment - compensation will be paid in cash, covering actual losses incurred and lost profits resulting from Project implementation. Compensation amounts will be determined on the basis of accounting and financial records or, where applicable, tax returns. Where a business or agricultural activity was supported by EU subsidies, the loss of such entitlements will be taken into account in determining the compensation package.
- Loss of employment — employees who lose their jobs as a result of Project implementation will be entitled to unemployment benefits. Both employees and persons working under civil law contracts who lose their earning capacity will receive health insurance coverage, job placement assistance, and, where applicable, vocational retraining support. These measures will be coordinated by the PIU in cooperation with relevant public institutions, including employment offices and social services. Persons employed informally in the project area will be identified during the PAP survey and included in the support package following individual case assessment.
- Loss of or restricted access to social infrastructure (e.g., parks and public amenities) — where possible, affected infrastructure will be recreated at a new, appropriately located site. Where recreation at a new location is not feasible or necessary, PAPs will be provided with access to existing social infrastructure of equivalent standard.
- Household relocation costs — PAPs will receive a lump-sum payment of PLN 10,000 to cover household relocation costs. Additional support will be offered, including, where necessary, assistance in engaging a moving company and coverage of transportation costs exceeding PLN 10,000.
- Vulnerable groups — PAPs classified as belonging to a vulnerable group in accordance with the criteria set out in the LARAP will receive a tailored support package as part of their overall entitlements, with the implementation schedule determined on a case-by-case basis. For school-age children and adolescents, support will include assistance in finding a location that allows continuation of education at their current school; the same applies to children attending daycare centers and preschools (the PIU does not engage directly with children independently of their parents or legal guardians in the course of providing such support). Older adults will be relocated to settings free of mobility-related barriers, with equal or improved access to healthcare, in a manner that allows them to maintain their current habits and lifestyle. Low-income individuals will be offered assistance in accessing additional support from government agencies, local authorities, and non-governmental organizations specializing in their specific needs.
- Temporary land acquisition — compensation for temporary land acquisition specified in the IPIP decision will be paid by the PIU in a lump sum corresponding to market rental or

lease rates for the relevant land for the entire period of temporary occupation. Where a PAP incurs additional losses as a result of temporary occupation, those losses will be compensated separately in accordance with the principles set out above. Upon completion of construction works, all land will be restored to its previous condition. Temporary occupations not specified in the IPIP but required by the Contractor in connection with the chosen method of performing specific works will be acquired by the Contractor pursuant to a civil law agreement concluded directly with the landowner, at the Contractor's expense. Such agreements shall, at a minimum, specify the area and duration of occupation, the form and amount of compensation — whether monetary or in kind — and the Contractor's obligation to restore the land to its previous condition upon completion of works. An illustrative sample agreement, reflecting these minimum requirements, is provided in Appendix V for reference. Restoration of the land to its original condition will be carried out under PIU supervision and verified by the works supervisor prior to handover to the PAP.

10.4 Entitlement Matrix

The Entitlement Matrix applies to land acquisition carried out through expropriation or negotiated settlement, as defined in Chapter 2, under which the Investor's statutory expropriation authority is available as a fallback where agreement cannot be reached. The following Project components proceed on this basis: [Component 1 — polders and associated infrastructure; Component 2 — the Kamieniec Ząbkowicki reservoir and Biała Lądecka catchment infrastructure]. Tasks I.4, II.3, and II.4, together with limited and temporary land access for monitoring equipment installation, proceed exclusively through voluntary market transactions, as defined in Chapter 2 and described in Section 4.2 (Basic Principles Adopted in the LARAF). Voluntary market transactions are not subject to this Entitlement Matrix: landowners retain an unrestricted right to refuse without threat of compulsory acquisition, and the applicable safeguards — due diligence criteria, written agreement, GRM communication, and PIU monitoring — are set out in that Section.

This Entitlement Matrix sets out the minimum entitlements applicable to all PAPs across all Project Tasks. The LARAPs prepared for individual Tasks shall specify and supplement these entitlements in accordance with local conditions, the PAP profile, and the findings of the census and socioeconomic survey.

Table 3 Entitlement Matrix

Impact / Loss	PAP Category	Minimum Entitlements
1. Permanent loss of land		
Land (agricultural, residential, other)	Owners, perpetual usufructuaries, independent possessors	– Compensation in the form of replacement land with equivalent productivity and tenure (priority); if unavailable or nor preferred—cash compensation at full replacement cost. – Residential land: replacement at equivalent location, size and tenure – Agricultural land: replacement land enabling continuation of farming activity or cash at replacement cost; where replacement land requires preparation investments (soil improvement, drainage, access roads) to achieve equivalent productivity: costs of such preparation covered by Investor. – Other land: cash at replacement cost, – Remnants: full compensation and acquisition by the PIU where the remaining land becomes unsuitable for its previous use following partial expropriation. – An advance payment toward compensation is available upon request by the PAP prior to the IPIP/RIIP becoming final. – A bonus of 5% of the plot's value for surrender within 30 days of the IPIP/RIIP becoming immediately enforceable or final, whichever is earlier. – Coverage of all transaction costs including court deposit costs if applicable – The PIU shall provide real estate brokerage assistance; the PIU shall cover reasonable costs associated with identifying replacement land, including estate agent fees and transaction cost. – Where mortgage secured on property: compensation arrangements with lending institution; where the owner intends to secure new financing for a replacement property, assistance liaising with lending institutions in that process; where the owner secures a new mortgage to finance replacement property, the PIU covers the documented transaction costs of that mortgage (arrangement, notary, valuation, and land registration fees). – where the census or valuation process identifies that the secured debt exceeds the compensation payable for the property, this is treated as a vulnerability factor under the Cross-Cutting Provisions and referred for individualized assessment and support. – Area-based subsidies/agricultural programs: continuity through transfer to the replacement land, so that the PAP's eligibility for ongoing subsidy payments is not lost as a result of the acquisition,

Impact / Loss	PAP Category	Minimum Entitlements
		– Eligibility for livelihoods restoration if land dependent agricultural or economic activity is materially affected.
	Leaseholders, tenants	– Cash compensation for the value of the expropriated rights. – Compensation for assets and property damage on the leased land. – Compensation for crops, plantings, and structures owned by the lessee/tenant. – Coverage of transaction costs. – Eligibility for support in restoring sources of livelihood if income has been materially affected.
	Holders of limited property rights (easements, usufruct, liens)—excluding mortgages	– Cash compensation for lost rights; coverage of transaction costs. – For holders of land easements: assistance in finding a solution that allows for the use of the dominant plot (e.g., establishing an alternative right of way).
	Mortgage holders	– Cash compensation
	Informal users (without legal title)	– Compensation for crops, plantings, structures and improvements on the land based on evidence of actual use such as photographic documentation, records from the census and socioeconomic survey, utility bills or tax records where available, or field verification by the LARAP Consultant. – Allowing for the harvest of crops before land acquisition. – Assistance in accessing replacement land through a lease, if possible. – – A livelihood restoration package in accordance with Chapter 11.3, if necessary, – Informal users are not eligible for compensation for the land itself, as they hold no title to it; all other entitlements listed above and elsewhere in this Matrix — including for structures, crops and plantings, transitional assistance, livelihood restoration, relocation assistance, and, where applicable, security of tenure at the replacement location — are provided to informal users at the same standard as to titled owners.
2. Permanent restrictions on the use of the land		
Permanent restrictions on land use (operational zones, flood risk zones, buffer zones)	Owners, perpetual usufructuaries, and independent possessors	– Cash compensation reflecting the decrease in the market value of the land. – Upon the PAP's request, submitted within 90 days of receiving notice of the initiation of IPIP proceedings: full acquisition of the land; compensation as in the case of permanent loss of land. The decision to request full acquisition rests exclusively with the PAP and cannot be influenced or contested by the PIU.

Impact / Loss	PAP Category	Minimum Entitlements
		– Coverage of transaction costs; advisory support regarding alternative uses of land if needed. – A livelihood restoration package in accordance with Chapter 11.3, if necessary. – Compensation for damages during the periodic flooding during flood events in the future after polders construction, available under Article 222(4) in conjunction with Article 469 of the Water Law Act. The owner may claim compensation for actual damage from the competent authority (or the relevant voivode), which issues a decision within the statutory procedure; the owner may appeal to the ordinary courts within 30 days. As a statutory entitlement, this applies for the operational lifetime of the polder, independent of the PIU or Project funding, and does not extend to flooding outside the polder or to events exceeding the reservoir's design return period..
	Leaseholders, tenants	– Cash compensation for losses related to the restrictions. – Coverage of transaction costs. – Compensation for damages during the periodic flooding in the future after polders construction. – Where the leased land lies within a polder subject to periodic flooding, and the land is owned or administered by PGW Polish Waters, the PIU shall include, as a standard term in the relevant lease agreement, an obligation to compensate the tenant for periodic flood-related crop and use damage, on a basis equivalent to that available to owners under Article 222(4) of the Water Law Act (i.e., limited to actual damage incurred). Where the land is privately owned and leased to the tenant by a third party, this is a matter for the private lease agreement between the owner and the tenant; the PIU shall provide the landowner with model lease clause guidance to support inclusion of equivalent protection for the tenant, and shall record, during the census and socioeconomic survey, whether the existing lease contains such a provision.
	Easement holders	– Assistance in finding a solution that allows for the use of the dominant plot (i.e., the plot benefiting from the easement, such as a right of way), which is affected by the acquisition of the servient plot. – Cash compensation for damages related to restrictions on the use of the easement. – Coverage of transaction costs. – Compensation for damages during the periodic flooding in the future after polders construction.
	Informal users	– Advisory support regarding alternative uses of the plot.

Impact / Loss	PAP Category	Minimum Entitlements
		– A livelihood restoration package in accordance with Chapter 11.3, if necessary,
3. Residential buildings		
Loss of a residential building requiring relocation	Owners, perpetual usufructuaries, independent possessors	– Replacement land and structures of equivalent or higher value and tenure (priority); or cash compensation at full replacement cost. – The right to salvage materials prior to the demolition of structures. – Coverage of all transaction costs, moving cost as well as administrative and legal costs associated with resettlement. – A lump-sum payment of PLN 10,000 for physical displacement. – Physical displacement shall not occur until: (i) compensation has been paid in full or made available to the PAP; (ii) adequate replacement housing has been provided, or the PAP has secured alternative housing independently; and (iii) relocation assistance has been delivered. Forced eviction is prohibited. Temporary housing provided by the PIU at its own expense where replacement housing is not available by the date of vacation of the land. – Where compensation is deposited into a court escrow account, the PIU shall cover the costs of the deposit. – A bonus of 5% of the plot's value for vacating the plot within 30 days of the IPIP becoming immediately enforceable or final, whichever is earlier. – Institutional and social support throughout the entire resettlement process., comprising connecting PAPs with, and ongoing cooperation with, relevant public institutions (in particular social welfare centers and other competent authorities) where a PAP's circumstances indicate a need for such support
	Occupants without legal title / tenants without title	– Support in regularizing their occupancy to obtain compensation on the same terms as owners, – Compensation at replacement costs for the structures and immovable assets. – Where the occupant constructed the structure themselves: compensation at replacement cost for the structure and immovable assets, based on evidence of construction and use. Where the occupant is a squatter in a pre-existing structure they did not construct: no compensation for the structure, – Coverage of the costs of the resettlement process. – Assistance in finding alternative housing or provision of replacement housing by the PIU based on the lease agreement. Temporary housing located in the same locality as the property being replaced, equipped with technical installations at least equivalent to those of the previous

Impact / Loss	PAP Category	Minimum Entitlements
		dwelling, and with room area no smaller than that of the previous dwelling, unless the PAP agrees to smaller area — and compliant with applicable Polish building regulations provided by the PIU, if necessary. – Institutional and social support comprising connecting PAPs with, and ongoing cooperation with, relevant public institutions (in particular social welfare centers and other competent authorities) where a PAP's circumstances indicate a need for such support.
	Leaseholders, tenants, and users	– Cash compensation for losses related to the termination of the contract. – Compensation at replacement costs for the structures and immovable assets – Coverage of transaction costs and relocation expenses. – Assistance in finding alternative housing (lease or tenancy agreement) or provision of replacement housing by the PIU based on lease or tenancy agreement. – Temporary housing located in the same locality as the property being replaced, equipped with technical installations at least equivalent to those of the previous dwelling, and with room area no smaller than that of the previous dwelling, unless the PAP agrees to smaller area — and compliant with applicable Polish building regulations provided by the PIU where necessary. – Institutional and social support.
	Holders of habitation easements	– Cash compensation for lost rights; coverage of transaction costs. – Compensation at replacement costs for the structures and immovable assets – Coverage of relocation costs. – Assistance in finding alternative housing or provision of replacement housing located in the same locality as the property being replaced, equipped with technical installations at least equivalent to those of the previous dwelling, and with room area no smaller than that of the previous dwelling, unless the PAP agrees to smaller area — and compliant with applicable Polish building regulations. – Institutional and social support.
4. Non-residential buildings and structures (stables, fences, technical infrastructure, etc.)		
Loss of non-residential buildings and structures	Owners, perpetual usufructuaries, independent possessors	– Cash compensation equal to the cost of replacing the lost property. – The right to salvage materials prior to the demolition of structures. – Coverage of moving costs – Relocation or reconstruction at the Investor’s expense, if justified.

Impact / Loss	PAP Category	Minimum Entitlements
		– For income-generating structures: (i) compensation for land; (ii) compensation for structures at replacement cost; (iii) compensation for loss of livelihood; (iv) transitional support—details in the LARAP. – For local government units (JST): cash compensation increased by the amount of recoverable EU or other external funding. – A livelihood restoration package in accordance with Chapter 11.3, if necessary,
	Leaseholders and tenants—for expenditures and improvements	– Compensation for the cost of restoration of investments and improvements made by the lessee/tenant. – Coverage of the costs of relocating assets belonging to the lessee or tenant. – A livelihood restoration package in accordance with Chapter 11.3, if necessary,
	Informal users and illegal occupants of structures	– Cash compensation equal to the cost of replacing the lost property. – . – Coverage of moving costs, – Right to salvage materials prior to the demolition of structures.. – Relocation or reconstruction at the Investor's expense, where the structure was in active use for agricultural, economic, or storage purposes at the time of the census and no reasonably equivalent alternative is available to the PAP through the compensation and support otherwise provided under this matrix – A livelihood restoration package in accordance with Chapter 11.3, if necessary,
5. Loss of plantings and tree stands		
Standing crops	Owners, perpetual usufructuaries, independent possessors	– Cash compensation reflecting the gross market value of the total annual produce of the affected crop, taking into account the costs of establishing and maintaining the crop; – the specific valuation approach (comparative, income, or cost) is determined by the licensed appraiser, provided the resulting compensation is not less than the gross market value of the affected produce. – Where the land is farmed under a sharecropping arrangement, compensation is apportioned between the landowner and tenant in accordance with the terms of their sharecropping agreement. – Allowing for the harvest of crops prior to land acquisition, if possible..
	Leaseholders, tenants, and users	– Cash compensation on the same basis and to the same standard as set out above for owners, apportioned in accordance with any applicable sharecropping agreement.

Impact / Loss	PAP Category	Minimum Entitlements
		– Allowing for the harvest of crops prior to land acquisition, if possible.
	Informal and illegal occupants of the plot	– Cash compensation on the same basis and to the same standard as set out above, based on evidence of actual cultivation gathered during the census and field observations. – Allow for the harvest of crops prior to land acquisition, if possible.
Perennial plantations nd trees (including fruit trees and timber)	Owners, perpetual usufructuaries, independent possessors	– Cash compensation reflecting income replacement, taking into account the location, species and variety, remaining years to harvest, level of plantation management, and soil and environmental conditions, or determined via the cost approach (land value and plantation value assessed separately), – For fruit trees and other income-generating trees, compensation is not less than the market value of one year's produce multiplied by the number of years required to grow a replacement tree of equivalent productivity. – Loss of timber stand: compensated as above; where applicable, additionally based on the estimated value of harvestable timber. Compensation determined by a certified property valuer per applicable valuation regulations; where the result does not meet the ESS5 replacement cost standard, a supplementary payment applies.
	Leaseholders, tenants, and users	– Cash compensation on the same basis and to the same standard as set out above for owners.
	Informal and illegal occupants of the plot	– Cash compensation on the same basis and to the same standard as set out above, based on evidence of actual cultivation or planting gathered during the census and field observations.
6. Impact on entrepreneurs, farmers, and employment		
Loss or disruption of livelihoods and business activities	Formal entrepreneurs (self-employed individuals, micro- and small business owners)	– Cash compensation for actual losses and lost profits, determined by an independent licensed appraiser. – Compensation for the costs of physically relocating the business and restarting operations at a new location. – Transitional support for the period from the date of loss of access until the documented resumption of business operations. – Compensation in the form of replacement land or premises enabling continuation of operations (priority), where preferred by the PAP. – Institutional support for entities winding down their operations. – Livelihood restoration measures where primary sources of income have been materially affected.
	Informal entrepreneurs (individuals engaged in gainful activity without formal registration)	– Identification during the PAP census and socioeconomic survey. – Compensation for actual losses and lost income, determined on a case-by-case basis based on available evidence.

Impact / Loss	PAP Category	Minimum Entitlements
		– Transitional support for the period from the loss of access to the resumption of business operations. – Support in formalizing their business activities, at the PAP's request. – The absence of formal business registration does not deprive the PAP of the right to compensation and support.
	Non-governmental organizations	– Compensation in the form of replacement land or premises enabling the continuation of operations (priority) or cash compensation at replacement cost. – Compensation for the costs of relocating operations and restarting business at a new location.
	Farmers	– Replacement land of equivalent productive potential (priority); costs of land preparation covered by the PIU (see compensation for loss of land, which applies in addition to the income-related measures set out in this section). – Compensation for disruption of agricultural operations, including: costs of operating a fragmented holding; loss of access to agricultural infrastructure; structural changes resulting in reduced operational efficiency; and loss of production income for the period from the date of loss of access until the resumption of equivalent production. – Vocational retraining support for farmers ceasing agricultural activities. – Institutional support for farmers permanently discontinuing agricultural activities as a result of land acquisition. – Where the farmer's productive activity is conducted on leased land: compensation for lost income determined on the basis of the expert appraisal report — not limited to the rental or lease rate paid to the landowner.
	Employees (under employment contracts and civil law contracts, both formal and informal)	– Unemployment benefits (formal workers only) and uninterrupted health insurance (upon registration with the employment office – both formal and informal workers). – Assistance in finding alternative employment. – Training to improve professional qualifications. – Informal workers: identification during the PAP census; individual support measures tailored to fill the gap resulting from the absence of unemployment benefits available to formally documented workers..
7. Loss of or restricted access to shared resources (hunting, fishing, forestry, and water resources)		
Restriction of access to common resources	Entities with formal access to shared resources	– Cash compensation for loss of access or restricted use determined by a licensed appraiser in accordance with applicable valuation regulations, based on the nature of the resource affected.

Impact / Loss	PAP Category	Minimum Entitlements
		– Access to equivalent resources in an alternative location, if feasible.
	Entities with informal access to common resources	– Cash compensation for loss of access or restricted use, on the same basis as set out above, provided that such access did not constitute a criminal offence or petty offence under Polish law; – Access to equivalent resources in an alternative location, if feasible, provided that the informal access to the original resource did not constitute a criminal offence or petty offence under Polish law.. - .
8. Property of Local Government Units		
Land and infrastructure	Local Government Units	– As landowner: cash compensation on the same terms as for private owners. – As owner of affected infrastructure: reconstruction at a new location at the PIU's expense. – For assets co-financed with EU or other external funds: cash compensation increased by the amount of recoverable grant funding, together with any interest due.
9. Temporary Land Acquisition		
Temporary restriction on the use of plots	Owners, perpetual usufructuaries, independent possessors	– Cash compensation based on market rental or lease rates for the entire duration of the temporary occupation. – Compensation for loss or disruption of livelihoods and business activities (including any rent reduction granted to a tenant under Article 700 of the Civil Code) where applicable, – Compensation for any damages incurred during the period of occupation. – Restoration of the land to its previous condition by the Contractor under PIU supervision; verified by an independent technical inspector prior to formal handover. –
	Tenants, users	– Cash compensation for the period of temporary occupation. – Restoration of the plot to its previous condition.
	Easement holders	– Cash compensation for damages resulting from restricted ability to exercise easement rights during the period of occupation. – For transmission easements held by utility companies: relocation of the affected network and establishment of a new legal title corresponding to the original easement, at the Project's expense. – Assistance in identifying a temporary solution enabling continued use of the dominant land. – Restoration of the plot to its previous condition upon completion of works.

Impact / Loss	PAP Category	Minimum Entitlements
	Informal users	– Compensation for demonstrated loss of income or livelihood during the period of occupation, based on evidence of actual use and the expert appraisal report, – Restoration of the plot to its previous condition.
10. Loss of or restricted access to social infrastructure		
Loss of access to publicly and communally owned infrastructure	Affected local communities and PAP	– Reconstruction of infrastructure in a new, suitable location, if feasible. – Ensuring continuity of the public services provided through that infrastructure without interruption, – If reconstruction is not feasible: ensuring access to existing equivalent infrastructure. – Apply universal accessibility standards (ramps, adaptations for people with limited mobility, etc.).
Temporary restriction of access to publicly and communally owned infrastructure	Affected local communities and PAP	– Maintenance of access to the affected infrastructure through alternative or temporary arrangements, at the Investor's expense, for the duration of the restriction, – Ensuring continuity of the public services provided through infrastructure without interruption. – Where continuous access cannot be maintained, provision of temporary alternative access to an equivalent service. Restoration of full access to the infrastructure immediately upon completion of works.
11. Cross-Cutting Provisions: Particularly Vulnerable Groups		
	Particularly Vulnerable Groups	– The vulnerability criteria set forth in the LARAP apply to all categories of PAPs, regardless of the legal title to the plot. Each PAP meeting the vulnerability criteria is eligible for additional support measures determined individually for each PAP, which may include, in particular: relocation to a location with equal or better access to medical care and essential services; relocation to a location free from architectural barriers, in accordance with applicable building regulations; relocation to a location maintaining access to the PAP's current school, where relevant; financial assistance for accessibility adaptations; and referral to additional support from government agencies, local authorities, and non-governmental organizations, where relevant to the PAP's specific needs in addition to the basic entitlements applicable to its category.
Notes: [1] Independent possessor — a person who actually occupies and controls the land as an owner, regardless of formal legal title. [2] This Entitlement Matrix sets out the minimum entitlement standards applicable to all Project Tasks. The LARAPs prepared for individual Tasks shall specify and supplement these entitlements in accordance with local conditions and the PAP profile. [3] Compensation is measured, and updated where necessary, to reflect current replacement cost as of the date of actual payment, not the date of valuation. Where implementation timelines are extended, inflation is significant, or the validity period of the underlying appraisal has expired, compensation is topped up accordingly, consistent with the definition of Replacement Cost. This provision applies to all cash entitlements in this Matrix. JST = Local Government Unit | ARiMR = Agency for Restructuring and Modernization of Agriculture | KOWR = National Center for Agricultural Support		

11 Preparation of the Land Acquisition & Resettlement Action Plan

This chapter sets forth the procedures and standards applicable to the preparation of Land Acquisition and Resettlement Plans (LARAPs) for individual Tasks.

The procedures described in this chapter are consistent with the requirements of ESS5 and with Polish law. Where national regulations do not ensure full compliance with World Bank standards, the LARAP applies stricter requirements. The rules for bridging gaps between national law and ESS5 are set forth in Chapter **Błąd! Nie można odnaleźć źródła odwołania.** of this LARAF.

11.1 Land Inventory

The inventory covers together with any buildings and structures located on it, within the Task footprint.. It also includes land whose owners have submitted a request for buyout due to the loss of the ability to use the plot in its previous manner. The inventory applies to plots designated for permanent acquisition, temporary occupation, and plots subject to permanent restrictions on use. The land inventory is conducted during the preparation of each Task's LARAP, prior to the cut-off date, in accordance with the requirements set out in Chapter 10.2 (Eligibility and Cut-off Date), and is updated in accordance with the same principles.

The land inventory is conducted by a licensed appraiser for the purpose of valuing the affected land.

Prior to conducting the inventory, the licensed appraiser obtains data from the land and mortgage registers and the land and buildings registry (cadastral records). Data from the land and buildings registry includes information on:

- land — location, boundaries, area, land use types, soil classification, and cadastral references;
- buildings — location, intended use, functional purpose, and general technical data;
- premises — location, functional use, and usable floor area.

The land and buildings registry also contains the owner's details, including place of residence, and information on whether the land is listed in the register of historic monuments.

After obtaining data from the land and mortgage registers and the land and buildings registry, the licensed appraiser conducts an on-site inspection of the actual condition of the land. The inspection covers, in particular:

- the physical and technical development status of the land;
- the legal status of the land;
- the technical and functional condition of the land;
- the extent of technical infrastructure;

- the condition of the surrounding area, including the size, character, and degree of urbanization of the locality.

The current designated use of the land is determined on the basis of the local spatial development plan. Where no such plan is in force, the basis is the municipality's study of conditions and directions for spatial development or a decision on land development and zoning conditions. Where none of these documents exist, the actual use of the land is taken into account. Where the designated use under the spatial development plan differs from the actual use of the land (for example, where land is used for agricultural purposes but designated for construction) valuation and compensation are based on the more advantageous designation for the PAP, in accordance with the principle of benefit described in this document.

For land subject to temporary occupation, the Contractor also conducts a technical land inventory prior to acquisition and upon completion of works. The purpose of this inventory is to document the condition of the land before the commencement of construction works and after their completion. Refusal to grant access for the purpose of conducting the inventory may prevent verification of compensation claims, and responsibility for any resulting limitations in determining the amount of compensation rests with the person who denied access.

The land inventory constitutes one of the bases for determining compensation for expropriation or temporary restriction on the use of land. Property valuation methods are described in the chapter 11.5 .

11.2 Conducting the Census and Socioeconomic Survey

The LARAP shall be based on up-to-date information regarding the scale and nature of the Project’s impacts on local communities, particularly on the population affected by land acquisition. To properly identify these impacts and determine appropriate mitigation measures and additional support for PAP, it is necessary to conduct a census and socioeconomic survey.

The socioeconomic survey shall enable characterization of the typical profile of displaced households and shall provide the following information:

- the scale of resettlement;
- a description of the resources and livelihoods of the Affected Population, including income from agricultural and non-agricultural activities, captured in a manner enabling comparison against the post-Project situation of the same households;
- identification of population groups that will experience total or partial loss of assets;
- identification of public and social infrastructure affected by the Project;
- identification of informal occupants and users of land, including seasonal users;
- identification of formal and informal organizations — including local community organizations and religious groups — that may participate in the design and implementation of the LARAP;
- the PAP's attitudes toward the proposed resettlement options.

The timing of the census shall take into account the seasonal nature of certain land uses; where the census is conducted outside the season in which a given use occurs, seasonal users may not be identified at that time, and the LARAP shall be updated accordingly once such users are identified. The socioeconomic survey involves a detailed assessment of the socioeconomic situation of PAPs. The survey covers individuals directly affected by Project implementation — those residing in, owning land in, or conducting business activities within or in the vicinity of the project area. The survey may be conducted through face-to-face interviews, electronically, by mail, or by telephone, with the feasibility of each method for a given PAP assessed in advance, taking into account that PAP's ability to participate through that method.

11.3 Livelihood Restoration

Where a PAP's compensation package alone does not restore or improve the PAP's livelihood to at least pre-Project levels, the LARAP shall include livelihood restoration measures tailored to the PAP's specific circumstances, identified during the census and socioeconomic survey. Such measures may include, as appropriate, one or more of the following, grouped by the nature of the affected livelihood:

1. Agricultural Land-Based Livelihoods

- Assistance in identifying and securing suitable replacement agricultural land, where feasible;
- Support for land consolidation, land exchange, or voluntary land leasing arrangements where appropriate;
- Agricultural extension services, including technical advice on improving productivity and climate-resilient practices;
- Provision of agricultural inputs required to re-establish production (seeds, seedlings, planting material, fertilizers, irrigation equipment, livestock), where appropriate;
- Support for restoring perennial crops and orchards, recognizing the time required before replacement plantings become economically productive;
- Temporary income support during the period required to restore agricultural production;
- Assistance restoring irrigation systems, drainage, farm access roads, fencing, and other agricultural infrastructure affected by the Project;
- Facilitation of access to existing government agricultural support programmes, subsidies, rural development grants, and credit facilities.

2. Loss of Access to Land or Productive Resources

- Measures to maintain or restore access to agricultural land, grazing areas, forests, fisheries, or other natural resources on which livelihoods depend;
- Temporary alternative access arrangements during construction;
- Restoration of access routes immediately following completion of works;
- Assistance identifying alternative production areas where permanent access restrictions cannot be avoided;

- Compensation for temporary restrictions on land use and associated loss of production.

3. Business and income restoration

- Business advisory services and technical assistance;
- Support for relocation of commercial activities;
- Assistance obtaining permits and reconnecting utilities;
- Temporary financial assistance during business interruption;
- Access to vocational training, skills development, or employment opportunities generated by the Project, where appropriate.

All measures included in a LARAP's livelihood restoration plan shall be feasible, adequately budgeted, and supported by clearly defined implementation arrangements. For each measure, the LARAP shall identify:

- the institution(s) responsible for delivery;
- the implementation timeline;
- monitoring indicators.

Where successful delivery depends on external institutions — such as agricultural extension services, employment agencies, rural development authorities, social welfare institutions, vocational training providers, or financial support programmes — their anticipated roles shall be identified in advance, and the necessary coordination mechanisms, agreements, or commitments shall be established during Project preparation to ensure that the measures can be implemented when required.

11.4 Public Consultations

Public consultation for the purposes of preparing and implementing the LARAP is mandatory. This obligation rests with the PIU. Consultation and disclosure requirements under this LARAF shall be conducted in accordance with the Project's Stakeholder Engagement Framework (SEF); consultation and disclosure requirements under each LARAP shall be conducted in accordance with the corresponding Stakeholder Engagement Plan (SEP). Consultations shall be conducted with a broad range of stakeholders and shall commence at the earliest possible stage of project preparation. Early consultation enables identification of the expectations of local communities and creates an opportunity to discuss compensation packages, eligibility criteria, the scope of resettlement assistance, and the resettlement timeline.

Prior to the public disclosure of the LARAP, the Investor will hold consultation meetings during which the local community will be informed about:

- the requirements set forth in the World Bank’s ESS5 and ESF and applicable national law;
- the planned scope of the investment;
- the Investor’s planned sequence of activities;

- the mechanism for submitting grievances and requests;
- compensation rules under the LARAP.

During the preparation of the LARAP, the PIU shall also conduct individual consultation meetings with PAPs. During these meetings, PAPs are informed of the requirements of ESS5, the persons responsible for Project implementation and for the preparation and implementation of the LARAP, the PIU's planned sequence of activities, and the principles for determining compensation. The following matters are discussed in particular: the works schedule, options for leasing land in flood risk zones, and the rules governing land acquisition.

The investor prepares informational materials that describe, in an accessible manner, the purpose and scope of the works, the land acquisition procedure and the procedure for paying compensation, and the procedure for purchasing so-called remaining land. The investor remains in constant contact with the PAP throughout the entire period of preparing the LARAP.

Following completion of the draft LARAP and receipt of preliminary approval from the World Bank, the PIU shall conduct public consultations on the draft document. The consultation period shall last at least 30 days. The public shall be informed of the consultations through:

(a) notices posted at the PIU's headquarters;

(b) announcements on the website and notice boards of the relevant municipality, where possible;

(c) notices on the PIU's website;

(d) announcements in local media;

(e) notices posted in the localities covered by the Project;

(f) individual invitations sent to persons subject to physical or economic displacement;

(g) social media.

During the consultation period, any interested party may review the draft LARAP and submit written comments in person, by mail, or electronically. The consultations may be supplemented by a public meeting. The PIU may replace the public meeting with other forms of consultation where a public meeting would be likely to exacerbate social tensions rather than alleviate them. In such cases, the PIU shall employ consultation formats better suited to the circumstances, including in particular individual meetings with PAPs and community representatives, staffed consultation points available during specified hours, or thematic panels involving selected stakeholder groups. Any decision to forgo a public meeting must be duly justified.

Upon completion of the consultation period, comments submitted by the public are incorporated into the LARAP where appropriate and feasible. An anonymized summary of the consultation process is appended to the LARAP.

The updated LARAP, together with a chapter summarizing the consultation process and the responses provided, is submitted through the PCU to the World Bank for approval. Upon approval, the LARAP is disclosed in Poland and on the World Bank's website in both Polish and English. The document remains publicly available until completion of the Project.

The LARAP, and in particular the findings of the socioeconomic survey, are disclosed in compliance with applicable personal data protection regulations.

11.4.1 Stakeholder identification and analysis

A stakeholder is any individual, group, or entity within the Project's area of influence who may affect, or be affected by, the design or implementation of the Project, whether positively or negatively. Prior to commencing any activities under the LARAP, the LARAP Consultant identifies relevant stakeholders, assesses their attitudes toward the planned activities, and identifies the courses of action available to them as part of a stakeholder analysis. A stakeholder matrix is used to analyse stakeholders and their significance to the Project.

The key stakeholder groups to be considered in the preparation of the LARAP include:

- decision-making, advisory, and consultative public administration bodies, with particular emphasis on local authorities;
- the local community, including individuals directly affected by the Project's implementation, as well as neighbours, community leaders, farmers, and business owners, representatives of religious organizations, and hobby, sports, and youth associations;
- vulnerable groups, identified in accordance with the criteria set out in this LARAF;
- non-governmental organizations (environmental, social, and others) operating at the local, national, and international levels.

11.4.2 Information disclosure

The flow of information between the PIU and stakeholders is essential to the effectiveness of public consultation and community engagement in the Project, and thereby to achieving the objectives of the LARAP. The primary instrument for managing this process is the Stakeholder Engagement Plan (SEP), prepared in accordance with ESS10. The SEP defines the strategy for informing and engaging stakeholders throughout the Project cycle. Public information activities conducted under the LARAP shall be consistent with the SEP and coordinated with its implementation.

The PIU shall carry out the following public information activities:

- informing local authorities, community leaders, and local civil society organizations of the Project's plans at the earliest possible stage, with a request to disseminate this information further;
- introducing to stakeholders all persons responsible for Project implementation who will maintain regular contact with the community;
- preparing an information leaflet on resettlement, setting out eligibility criteria, entitlements, the LARAP implementation schedule, and the relevant procedures;
- issuing regular updates on resettlement progress.

The information provided must be accessible and understandable to the intended audience. It shall be disseminated through media accessible to both literate and illiterate audiences, as well as to persons with disabilities —such as radio, television, public notices, newspapers, flyers, the internet, and social media.

Informing the public about their rights and obligations is essential to the successful implementation of the LARAP. Particular attention shall be paid to vulnerable groups who may not have access to public media or standard channels of information dissemination.

11.4.3 Stakeholder participation in LARAP preparation and implementation

The PIU is required to consult with stakeholders throughout the entire period of developing and implementing the LARAP. The purpose of the consultations is to provide stakeholders with information about the Project and its impacts, and to give them the opportunity to express their concerns and propose alternative solutions.

Consultations shall involve representatives of the PIU, the Technical Assistance Consultant, relevant public administration authorities, representatives of non-governmental organizations, and members of both the displaced and host communities. Consultations shall focus on the Project's impacts and mitigation measures, with particular attention to vulnerable groups.

Consultations shall ensure that all Affected Persons have the opportunity to participate, with regard in particular to the following matters:

- alternative project design options;
- assessment of the Project's impacts;
- resettlement strategy;
- compensation rates and eligibility criteria;
- in the case of physical displacement — selection of the resettlement site and resettlement schedule;
- development of compensation procedures and grievance handling procedures;
- development of mechanisms for monitoring and evaluating the implementation of the LARAP and for implementing corrective measures.

Ongoing consultations with stakeholders allow for ongoing monitoring of the effectiveness of the compensation package's implementation and of efforts to restore livelihoods.

Ongoing consultation with stakeholders enables continuous monitoring of the effectiveness of compensation package implementation and livelihood restoration efforts.

Depending on the scale of the works, the PIU may appoint a community liaison officer (CLO). In all cases, the PIU shall ensure that Affected Persons are informed about the Project and the available compensation entitlements.

The PIU documents the flow of information and consultation activities. The documentation shall enable identification of the parties consulted, the subject of the discussions, and their outcomes. The consultation report shall include at least:

- a list of institutions and community and civil society organizations notified of the consultations and invited to meetings;
- the text of consultation announcements published on the websites of PGW Polish Waters, the relevant Regional Water Management Authorities (RZGW), and city, county, and municipal offices, as well as on public notice boards;
- the text of notices distributed in individual localities;
- the text of press releases issued to the media;
- photographs from consultation meetings and attendance records;
- materials presented at meetings, including maps, photographs, and presentations;
- information materials distributed to residents during meetings;
- a summary of media monitoring (traditional, online, and social media) in connection with the consultations.

11.5 Valuation Methods

11.5.1 General Rules

The owner or perpetual usufructuary of land or a part thereof that forms part of a flood protection project and is necessary for its implementation is entitled to compensation for the transfer of ownership of such land to the State Treasury. In all cases, compensation must correspond to the replacement cost of the land, defined in accordance with ESS5 (paragraph 2, footnote 6) as the value sufficient to replace lost assets, plus the necessary transaction costs associated with asset replacement. Compensation is determined on the basis of an appraisal conducted by authorized real estate appraisers listed in the central register of real estate appraisers referred to in Section V, Chapter 1 of the Real Estate Management Act (REMA), and, if necessary, by a team of expert appraisers (e.g., including an expert in agriculture or forestry). Issues related to plot valuation, including the determination of plot values, are governed by the provisions of Section IV of the REMA and the Regulation of the Minister of Development and Technology of September 5, 2023, on plot valuation (Journal of Laws of 2023, item 1832), hereinafter referred to as the “MRiT Regulation of 2023.”

Under Article 134(3)–(4) of the REMA, the value of a plot for compensation purposes is determined according to its actual use at the time of valuation, unless the purpose of the expropriation itself would increase the plot's value—for example, where agricultural land is converted to flood protection infrastructure use—in which case the value is determined according to the alternative, higher-value use consistent with that purpose. This "benefit principle" ensures that PAPs are not limited to pre-Project use value where the Project's purpose would otherwise increase the land's market value, and that valuation is not based on speculative or unrelated development potential.

According to ESS5, “replacement cost” with respect to plots and structures is defined as follows:

(a) where land is traded on functioning markets, replacement cost corresponds to the market value as established by independent and competent real estate appraisers, plus transaction costs;

(b) where functioning real estate markets do not exist or market data is insufficient, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets for agricultural land, or the undepreciated value of replacement material and labour for structures and other fixed assets, plus all transaction costs;

c) in all cases where physical displacement results in the loss of a in loss of shelter, replacement cost must at least be sufficient to enable the purchase or construction of housing that meets acceptable minimum community standards of quality and safety.

ESS5 prohibits any deductions for fees, taxes, or other obligations when determining compensation. Where national law results in compensation falling below the replacement cost as defined by ESS5—in particular to the extent that § 26(2) of the MRiT Regulation 2023 provides for a reduction in the replacement value of land on the basis of depreciation — the difference shall be covered by additional funds provided by the PIU as specified in the LARAP. Where Polish law does not provide for compensation corresponding to the replacement cost standard required by ESS5, compensation paid in accordance with Polish law shall be supplemented by additional measures specified in the LARAP Entitlement Matrix, including transitional support for the period necessary to restore living standards and livelihoods.

Compensation is payable in an amount agreed upon between the PIU and the owner, perpetual usufructuary, or holder of a limited property right to the land, from the State Treasury. In all cases, compensation shall correspond to at least the replacement cost of the land as defined by ESS5.

If the IPIP decision concerns family allotment gardens established in accordance with the regulations on family allotment gardens, the entity in whose interest the liquidation of a family allotment garden or part thereof takes place is obligated to: pay allotment gardeners compensation for the plantings, equipment, and structures located on their plots; pay compensation to the allotment garden association for equipment, buildings, and structures intended for common use that are owned by the association; and, to the extent possible, provide replacement plots for the restoration of the family allotment garden.

With regard to flood protection projects, the amount of compensation is determined based on the condition of the land as of the date the first-instance authority issued the IPIP decision, and the value of the land as of the date on which the amount of compensation is determined. Compensation is adjusted for inflation as of the date of payment, in accordance with the rules applicable to the return of expropriated land. Compensation is determined on the basis of an appraisal report prepared by a licensed real estate appraiser.

11.5.2 Appraisal Report

The result of a property appraiser’s work is an appraisal report—a written opinion on the value of the land prepared in accordance with Article 156(1) of the Real Estate Management Act (REMA). A real estate appraiser is a natural person holding professional qualifications granted under the REMA and entered in the central register of real estate appraisers maintained by the minister responsible for construction. In their professional practice, appraisers apply the Professional Standards of the Polish Federation of Valuers' Associations (PFSRM) and the European Valuation Standards (EVS) issued by TEGoVA (The European Group of Valuers' Associations).

The appraisal report must be prepared reliably, objectively, and in a manner understandable to a person without specialized knowledge of real estate valuation. This requirement derives from both the PFSRM standards and the EVS and is of particular importance in the context of this Project. The appraisal report must enable the PAP to understand: how the value of their land was determined; which comparable transactions were used as the basis for valuation; which characteristics of the land influenced the valuation outcome; and why a specific valuation

approach and method were applied. The appraisal report must not be ambiguous or misleading. The appraiser is required to disclose in the appraisal report all material facts of which they are aware that are relevant to the subject of the valuation. Where any action was not performed or was performed only to a limited extent — for example, due to lack of access to the land[3] — the appraiser must indicate this circumstance in the report together with the reasons for it.

The appraisal report therefore serves not only a technical function but also an informational one with respect to the PAP. Pursuant to Article 156(1a) of the Real Estate Management Act (REMA), the Investor is required to allow the PAP to review the appraisal report, take notes and make copies from it, and, upon request, provide certified copies. As part of the Task, the Investor shall provide the PAP with access to the appraisal report prior to issuing a decision determining compensation, allowing the PAP a period of 7 to 14 days, set by the case officer, to review the report before a decision is made.

It shall be emphasized that the PAP has the right to commission their own independent appraisal report at any stage of the compensation process — both during negotiations with the PIU and in the course of administrative proceedings before the Voivod and this right is not limited in time by the cut-off date; the PAP may commission such a report at any stage of the proceedings, consistent with the party's ongoing right to active participation. An independent appraisal report submitted by the PAP during negotiations constitutes the basis for further discussion of the compensation amount and must be taken into account by the PIU in good faith. Where the proceedings are conducted before the Voivod, the submitted appraisal report must be formally addressed in the compensation decision. PAPs are informed of this right and of all other procedural rights available to them through two channels: by the authority conducting the proceedings, in accordance with Article 9 of the KPA, which obliges administrative authorities to inform parties of their rights and obligations at every stage of the proceedings; and by the PIU, as part of its individual consultations with PAPs conducted during the preparation and implementation of the LARAP.

The appraisal report remains valid for 12 months from the date of preparation. After this period expires, it may be confirmed by an appraiser with an appropriate validity clause, accompanied by an analysis confirming the absence of significant market or legal changes, which allows for its continued use for another 12 months (Article 156(3)–(4) of the REMA). Where such an analysis identifies significant market changes (, a validity clause may not be issued, and a new appraisal report reflecting current market conditions shall be prepared instead. The investor ensures that compensation decisions are issued based on appraisal reports that are still valid or have been confirmed as current.

Where a PAP disputes the accuracy of the appraisal report, they have also the right to request an evaluation by a professional organization of real estate appraisers. The evaluation is conducted by a team of at least two independent appraisers within a period not exceeding two months (Article 157(1) of the REMA). PAPs shall be informed of this right at the time the appraisal report is made available to them.

[3] Access may be restricted, for example, where the owner refuses entry to the property, where the property is occupied by a third party unwilling to allow access, where the PAP is temporarily absent or unreachable, or where physical or safety conditions on the land (e.g., flooding, unstable terrain, ongoing agricultural operations) prevent a full on-site inspection at the scheduled time.

11.5.3 Land Valuation

The determination of land value is preceded by an analysis of the real estate market—particularly with regard to transaction prices, rental rates, and transaction terms—as well as an on-site inspection of the plot (Section 3(1) of the MRiT Regulation 2023). The market value of the plot serves as the basis for determining the amount of compensation. In determining this value, particular consideration is given to the type, location, manner of use, intended purpose, level of technical infrastructure, condition of the plot, and prevailing market prices in real estate transactions. Poland's real estate market provides a sufficiently dense and documented transaction base to support this methodology: in 2024, over 566,300 purchase-sale transactions were concluded nationwide, including more than 59,300 agricultural property sales and 188,200 undeveloped land transactions, generating a total market value of PLN 257.4 billion (GUS, 2024). In regions such as Dolnośląskie and Małopolskie, where undeveloped and agricultural land transactions constitute a substantial share of overall market activity, local comparable transaction data are routinely available to appraisers within the statutory two-year reference period.

For the valuation, transactions involving comparable land from a period as close as possible to the valuation date are used. Pursuant to § 5(1) of the MRiT Regulation 2023, the use of a reference period exceeding two years must be justified in the appraisal report. The licensed real estate appraiser draws primarily on data from the local market. Where local market data is insufficient, transaction prices or rental rates obtained for comparable land on the regional or national market may be used (§3(3)). In particularly justified cases, data from foreign real estate markets is permitted (§3(4)).

If a change in the development or use of the land in accordance with the purpose of the investment reduces its market value, that value is determined based on the condition of the land prior to the change. If the use of the land in accordance with the purpose of the expropriation results in an increase in its value, the value of the land for compensation purposes is determined based on the alternative use resulting from that purpose.

Where market data allow for the determination of market value, the property appraiser applies the comparative, income, or mixed approach in accordance with the MRiT Regulation of 2023 (§§ 4–20). If market data are insufficient, the appraiser applies the cost approach (§§ 25–28). As indicated above, § 26(2) of the MRiT Regulation 2023 provides for a reduction in the replacement cost of land components by the degree of their depreciation. To the extent that this would result in compensation falling below the replacement cost standard required by ESS5, the difference shall be covered by additional funds provided by the PIU as specified in the LARAP.

Where the owner or perpetual usufructuary of land covered by the IPIP decision vacates the land and clears the premises and other rooms within 30 days of the date on which the IPIP decision becomes immediately enforceable or final, whichever is earlier, the amount of compensation is increased by an amount equal to 5% of the value of the land or the value of the perpetual usufruct right. PAPs are informed of this entitlement during individual consultations conducted by the PIU as part of the LARAP preparation and implementation process, as well as during the public consultations conducted in connection with this LARAF.

11.5.4 Valuation of Movable Property and Non-Fixed Assets

Compensation for movable property and non-fixed assets applies where such assets are unsuitable for use at a new location or where the PAP will not make use of them in connection with the resettlement. The MRiT Regulation of 2023 governs the cost and comparative approaches with respect to land components (§§ 25–28); for movable property (machinery, equipment), there are no separate provisions in the regulation—the licensed appraiser applies general valuation methods, selecting either the cost or comparative approach depending on the availability of market data. In practice, when valuing movable property, the appraiser uses the object's identifying data (brand, model, type, year of manufacture, manufacturer), which is consistent with professional standards, although it is not explicitly required by the regulation.

When valuing movable property, it is permissible to take into account the degree of technical, functional, or economic depreciation. However, in accordance with the ESS5 requirement, to the extent that the application of depreciation would result in compensation being set below the replacement cost, the difference is covered by additional funds from the PIU as specified in LARAP. Each LARAP's budget shall include a contingency reserve to cover such shortfalls, to be finalized once the relevant appraisal reports are available and the actual scope of any replacement-cost top-ups can be determined

11.5.5 Valuation of Plantings and Crops

The valuation of plantings and crops is conducted in accordance with §§ 57–58 and § 62 of the MRiT Regulation 2023.

When determining the value of forest stands or tree plantings at near-maturity, maturity, and older ages, the value of the timber is estimated by taking into account the total volume and the proportions of individual size classes in the volume of large-diameter trees, as determined on the basis of a timber assessment (§ 62(2)). The value of young stands that have not yet produced medium-sized assortments is determined by calculating the costs of establishing the forest plantation and its maintenance up to the date of valuation (§ 62(4)).

When determining the value of perennial crop plantations, depending on the availability of market data, the following approaches are applied: the comparative or income approach, taking into account the location, species, and variety of the cultivated plant, the number of years remaining until the end of the harvest period, the level of plantation management, and soil and environmental conditions; or the cost approach, in which the value of the land and the value of the plantation are determined separately, with the plantation's lifespan defined as the period from the start of land preparation to the end of the production period and its liquidation (Section 58(1) of the 2023 MRiT Regulation). Unlike the previously applicable 2004 regulation, the new regulation does not provide for a mechanical formula for deducting depreciation allowances from the sum of costs and lost benefits.

When determining the value of sowings, crops, and other annual harvests, the value of expected benefits is estimated. If it is impossible to determine the value of the benefits (e.g., crops are in an early stage of growth), the costs of the expenditures incurred are determined (Section 57(1) of the MRiT Regulation 2023).

In all cases, the valuation result for plantings and crops is verified for compliance with the replacement cost standard as defined in ESS5. To the extent that the valuation result is lower than

the replacement cost, the difference shall be covered by additional funds provided by the PIU as specified in the LARAP.

11.5.6 Valuation of Other Assets

Other assets related to the land include civil benefits — that is, income generated by the land on the basis of a legal relationship. Pursuant to § 33 in conjunction with § 31(1)–(4) and (6) of the MRiT Regulation 2023, the income approach is applied to determine the value of rights in rem (including leasehold, tenancy, usufruct, and life estate rights) and the impact of these rights on the value of the property, taking into account, in particular:

- the type, nature, scope, and duration of the agreement;
- the relevant legal provisions; the form and amount of payments;
- the obligations and rights arising from contractual rights;
- the parties' claims related to the settlement of expenses incurred on the plots;
- available market data regarding the estimated type and scope of the market covering contractual rights.

11.5.7 Valuation of Compensation for Loss of Livelihood

The Special Flood Act does not provide for compensation for loss of livelihood, disruption to business operations, or lost profits. The obligation to compensate PAPs for such losses arises exclusively from the requirements of ESS5 and is implemented through the LARAP. In this respect, the LARAP goes beyond the minimum requirements of Polish law in order to ensure full compliance with World Bank standards.

For the purpose of determining the amount of such compensation, the methodology established under Article 361 §2 of the Civil Code is applied by analogy, as it reflects established Polish valuation practice for assessing damages of this nature. In accordance with this provision, compensation covers both actual losses (damnum emergens) and lost profits (lucrum cessans) that would not have occurred but for the Project.

The sole method for assessing damages of this nature is the preparation of an individual expert opinion by an independent licensed appraiser. The appraiser determines the valuation method in accordance with applicable professional standards, drawing in particular on:

(a) the Act on Real Estate Management (REMA) and the MRiT Regulation 2023, to the extent they govern the valuation of assets and rights affected by the Project;

(b) the Professional Standards of the Polish Federation of Valuers' Associations (PFSRM), which set out methodological guidelines for valuations not explicitly regulated by statute;

(c) the European Valuation Standards (EVS) issued by TEGoVA, applied subsidiarily.

For the valuation of lost profits and business disruption specifically, there are no dedicated statutory valuation regulations in Polish law. The appraiser therefore exercises professional judgment in selecting the most appropriate method, based on the documented financial results of the entity concerned.

The appraiser examines the direct impact of the disruption on the PAP's financial results and takes into account, among other things, loss of income during the transitional period — from the date of loss of access to the land or the occurrence of another disruption until the resumption of services, production, employment or agricultural activities at an equivalent level.

The valuation shall be based on documentation submitted by the PAP or gathered during the census and socioeconomic survey. Depending on the nature of the activity, relevant documentation may include:

(a) for formally registered businesses — accounting ledgers, profit and loss statements, tax returns (PIT, CIT, or VAT records), invoices, and contracts demonstrating the scale and continuity of operations;

(b) for agricultural activities — records of agricultural production, invoices for the sale of agricultural produce, documentation of EU subsidy entitlements, and records of inputs and yields;

(c) for informally conducted activities — any available evidence of actual use and income generation, including bank statements, photographs, or witness statements.

For all categories, documentation confirming the period of disruption may also be submitted, including correspondence with the PIU and records of land acquisition proceedings.

The valuation must be based on the documented or otherwise evidenced results of the specific entity and may not rely on general market assumptions. Where formal documentation is unavailable, the appraiser may determine compensation on the basis of the best available evidence and shall document the assumptions applied in the expert opinion.

11.6 Negotiations

Negotiations with PAP are conducted individually with each household, depending on the type of impact on that household and take place on the basis of the appraisal report prepared in accordance with the valuation methods set out in the preceding chapter.All interested parties have the right to participate in the negotiations on an equal basis. The negotiation process is non-discriminatory and takes gender equality issues into account.

The scope of negotiations depends on the type of asset affected corresponding to the categories of Affected Persons and impacts set out in Chapter 10.1. (Definition of a PAP) and Chapter 10.2 (Eligibility and Cut-off Date). They may include:

- land loss;
- loss of income, including income from farming and business activities;
- loss of buildings or structures located on the land;
- loss of infrastructure, including access to water, electricity, roads, and paths;
- other issues, such as various forms of support or the determination of legal title to the land.

Negotiations in all cases address the form of compensation and the land acquisition schedule. Other matters are subject to negotiation depending on the individual circumstances.

During negotiations, the PIU provides PAPs with comprehensive information and explanations to ensure that all arrangements and agreements reached are clearly understood by all parties.

All reservations raised by the parties during the negotiation process are documented in meeting notes and minutes.

11.7 Institutional Structure and the Team Implementing the LARAP

All work on the LARAP shall be coordinated with the Project Coordination Unit (PCU). The PCU has experience in implementing flood protection projects in Poland financed by the World Bank and is familiar with World Bank procedures. The PCU operates within the structure of the State Water Management Authority (PGW Polish Waters).

The PCU manages the activities of the Project Implementation Units (PIUs) with regard to the implementation of Project activities. It provides technical assistance to the PIUs, supports preparatory work, supervises work carried out under the Project, and assesses implementation progress. The PCU also serves as the coordinator for the submission of LARAPss to the World Bank.

The PIUs are responsible for carrying out tasks related to the preparation of the LARAP, including, in particular:

- preparing the entire investment process, including the LARAP;
- obtaining the necessary approvals and administrative decisions;
- preparing and conducting procurement procedures for construction works and services;
- entering into contracts for works and services;
- monitoring implementation progress and financial management;
- preparing implementation monitoring reports;
- coordinating the work of all organizational units involved in the preparation and implementation of the Project.

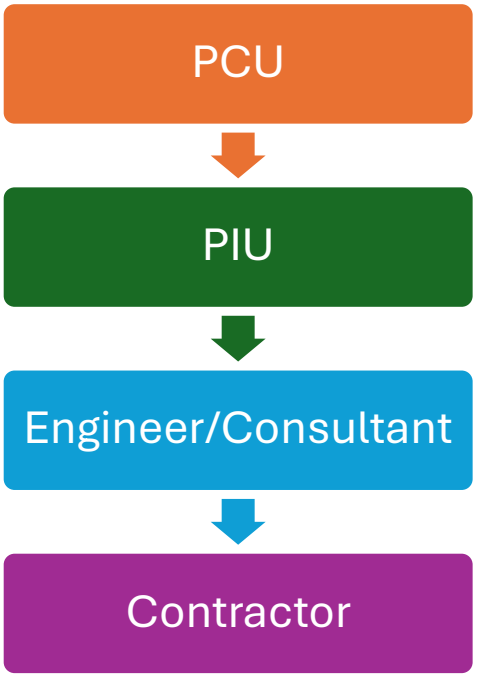
To ensure the effective preparation and implementation of the LARAP, dedicated organizational units responsible for verifying, implementing, and executing the LARAP are established within the PIU's structure.

In the preparation and implementation of the LARAP, the PIU is supported by a LARAP Consultant selected in accordance with World Bank procedures. The Consultant supports the PIU at all stages of the work—from the preparation of the LARAP through to its completion and final reporting. The Consultant's team includes a LARAP team, a Designers Team, and a legal and economic team.

Independent oversight of LARAP preparation and implementation is provided by an independent Environmental and Social (E&S) Panel of Experts..

11.8 LARAP Development and Implementation Process

The process of developing, implementing, and evaluating the LARAP follows the procedure described below. The procedure takes into account the requirements of ESS5 and the World Bank, as well as the specific nature of the Polish legal system, in particular the provisions of the Special Flood Act. The PCU oversees the implementation of the procedure, coordinates the activities of the PIU, and serves as the liaison with the World Bank.



The following categories of entities participate in the process of preparing and implementing the LARAP:

The Project Coordination Unit (PCU) performs a supervisory function at the project-wide level. It ensures that the implementation of the LARAP complies with ESS5 and World Bank requirements and coordinates the PIU's activities regarding land acquisition and resettlement.

The Investor (PGW WP / PIU) bears full responsibility for the preparation and implementation of the LARAP. The Investor provides funding for activities related to land acquisition, compensation payments, and support for PAPs. It oversees the public consultation process and manages the grievance mechanism.

The Consultant conducts the socioeconomic survey, carries out public consultations, prepares analyses of PAP eligibility and compensation packages, and drafts LARAP documents. The Consultant's social team collaborates with the design team to minimize land acquisition. During the implementation phase, the Consultant supports the PIU in negotiations with PAPs and in the implementation of the LARAP, including the operation of the grievance mechanism.

The Consultant's Designers Team prepares technical documentation and obtains the required administrative decisions. It conducts technical analysis of design changes proposed by the Consultant's community engagement team with a view to minimizing land acquisition

The Contract Engineer supervises the execution of construction works and monitors the Contractor's compliance with its obligations regarding land acquisition.

The Contractor is responsible for obtaining temporary land occupation rights, paying the associated compensation, and restoring the land to its original condition upon completion of works.

The LARAP is subject to updates in the event of changes to the scope of the investment, changes in the number of PAPs, or the scope of impacts, as well as in response to comments from the World Bank raised during monitoring. Each update to the LARAP requires re-approval from the World Bank prior to its implementation.

Upon completion of the LARAP, an evaluation is conducted to assess the effectiveness of the document's implementation and the extent to which its objectives have been achieved. The internal evaluation is conducted by the LARAP Consultant in collaboration with the PIU. An independent external evaluation is conducted by an Environmental and Social (E&S) Panel of Experts.. The results of the evaluation are submitted to the World Bank.

The table below presents a detailed breakdown of tasks and responsibilities.

Phase 1 – Development of the LARAP

Stage	Key Activities	Responsibility
Input Data	Confirmation of the project's spatial scope; collection of data from land and buildings registries, land and mortgage registers, and spatial development plans; establishment of the cut-off date	LARAP Consultant; PIU
Impact Assessment	Census and socioeconomic survey; land and asset inventory; verification of legal titles and PAP eligibility; identification of vulnerable groups	LARAP Consultant; PIU
LARAP Preparation	Asset valuation; determination of compensation packages and livelihood restoration measures; preparation of implementation schedule and budget; development of GRM procedures	LARAP Consultant; PIU; PCU
Approval	Independent verification by the Environmental and Social (E&S) Panel of Experts.; obtaining preliminary approval from the World Bank (if required); conducting public consultations; updating the LARAP based on consultations outcomes	LARAP Consultant; PIU; PCU; Environmental and Social (E&S) Panel of Experts.
Public Disclosure	Obtaining World Bank no-objection; disclosure of the LARAP in Poland and on the World Bank's website	PIU; PCU

Phase 2 – Implementation of the LARAP

Stage	Key Activities	Responsibility
Preparation	Establishing an implementation schedule; launching the GRM; informing PAP of applicable rights and procedures	LARAP Consultant; PIU

Stage	Key Activities	Responsibility
Land Acquisition	Submitting an application for an IPIP; reviewing buyout requests for remnants; acquiring replacement land; obtaining the IPIP decision and informing PAPs of its effects	LARAP Consultant; PIU
Compensation	Valuation of land and assets by independent licensed appraisers; conducting negotiations; concluding compensation agreements; payment of compensation or transfer of replacement land and other entitlements	LARAP Consultant; PIU
Relocation and Construction	Providing the PAP with the time and resources needed for relocation; transferring the plot to the Contractor; commencement of construction work	PIU Manager; PIU
LARAP Update	Where the scope of works or the number of PAPs changes — updating the LARAP, independent verification by the Environmental and Social (E&S) Panel of Experts.obtaining World Bank approval, and disclosing the updated document	LARAP Consultant; PIU; PCU; Environmental and Social (E&S) Panel of Experts.

Phase 3 – Recurring Tasks

Stage	Key Activities	Responsibility
Monitoring	Internal monitoring of LARAP implementation; external, independent monitoring of LARAP implementation by the Environmental and Social (E&S) Panel of Experts.; reporting to the World Bank	LARAP Consultant; PIU; PCU; Environmental and Social (E&S) Panel of Experts.
GRM	Receiving, recording, and addressing grievances; monitoring GRM effectiveness; reporting results	LARAP Consultant; PIU
Coordination	Ongoing coordination with relevant administrative authorities; ongoing communication with PAPs	PIU; LARAP Consultant

Phase 4 – Post-implementation tasks

Stage	Key Activities	Responsibility
Evaluation	Internal evaluation of LARAP implementation and GRM effectiveness; independent external evaluation; preparation of evaluation report and submission to the World Bank	LARAP Consultant; PIU; PCU; Environmental and Social (E&S) Panel of Experts.
Closure	Implementation of corrective actions resulting from the evaluation; closure of the GRM upon completion of all grievance proceedings	PIU; PCU

11.9 Grievance Redress Mechanism

11.9.1 Grievances Handled by the GRM

The Grievance Redress Mechanism (GRM) is an accessible and inclusive system for receiving, registering, and addressing grievances from stakeholders and facilitating their timely resolution.

The GRM accepts grievances regarding the environmental and social impacts of the Project—including grievances, requests, questions, and comments related to the preparation and implementation of the Tasks.

The GRM performs four basic functions:

1. It provides individuals affected by the Project with effective access to remedies to protect their rights.
2. It supports the early identification and resolution of environmental and social issues.
3. It builds public trust in the Project.
4. It provides a safe and confidential channel for reporting cases of sexual exploitation and abuse (SEA) and sexual harassment (SH), based on a survivor-centered approach.

The GRM operates independently of national administrative and judicial procedures and does not replace PAP's rights to pursue claims through those channels.

The GRM described in this LARAF is a system intended for the community members and external stakeholders. It is separate from the employee Grievance Redress Mechanism, which is established and operated in accordance with the procedures set forth in the Labor Management Procedures (LMP) developed under the Project in accordance with ESS2 requirements.

The minimum requirements for all GRMs established under the Project are set out in the Stakeholder Engagement Plan (SEP). The SEP establishes the principles, scope, organizational requirements, and reporting standards applicable to all GRMs. Each GRM established at the Task level must comply with these requirements. To ensure consistency across all Tasks, a template Project-level GRM is provided in Appendix 13.4. to this LARAF, setting out a standard structure, intake channels, workflow, and reporting format. Each PIU shall use this template as the basis for developing its Task-specific GRM, adapting it as necessary to the scale and risk profile of the relevant Task, in accordance with the principle of proportionality set out below.

All GRMs operate in accordance with the following principles:

- The scope and structure of the GRM are proportionate to the scale of risks and impacts of the relevant Task. GRMs for larger-scale Tasks or Tasks with higher social risk may require more extensive structures and resources; GRMs for smaller-scale Tasks may be simpler. Proportionality does not exempt the GRM from meeting all minimum requirements set out in the SEP.
- Use of the GRM is free of charge. The PIU covers all costs associated with receiving and processing submissions.
- The GRM is available to all stakeholders without discrimination. Submissions are accepted through multiple channels: in writing, orally, electronically, and by telephone. Anonymous submissions are permitted. The GRM takes into account the needs of vulnerable groups, including in particular older adults, persons with disabilities, and persons with limited mobility.
- The grievant's personal data is protected in accordance with applicable personal data protection regulations. The complainant's identity is not disclosed without their consent, except where required by law.
- No person will suffer any negative consequences as a result of submitting a grievance to the GRM.
- Grievances are reviewed objectively and without bias.

- GRM procedures are publicly available. The complainant is informed of the progress of proceedings, the person responsible, and applicable deadlines. All actions are documented in the GRM registry.
- The GRM establishes binding deadlines at three stages: acknowledgment of receipt, issuance of an interim response, and issuance of a final decision. The grievant receives regular updates on the status of their case and has the right to file a notice of dissatisfaction with the handling of their case, in which case the GRM guarantees reconsideration.
- The GRM may provide for mediation as an option for a grievant who is dissatisfied with the proposed decision. The decision to initiate mediation rests with the grievant. Mediation does not replace the appeals process.
- The GRM does not restrict access to administrative or judicial remedies. The complainant retains the right to pursue claims through those channels at any stage of proceedings.

Anonymous grievances are recorded, monitored, and handled on an equal footing with grievances filed by individuals who have been physically identified. Summaries of anonymous grievances received (number, category, and status of resolution) shall be included in periodic GRM reports and published on the Task website.

11.9.2 Specific Grievance Management Mechanisms

Specific mechanisms for managing grievances and requests are directly related to proceedings concerning the issuance of an IPIP decision and the determination of compensation for the loss of rights to land and related assets (including civil usufructs, appurtenances, and equipment or machinery that cannot be relocated).

These mechanisms apply during proceedings for the issuance of an IPIP, during negotiations to determine compensation conducted following the issuance of the IPIP decision, in proceedings before the Voivod regarding the determination of the amount of compensation, and in appeal and judicial proceedings concerning the IPIP decision and compensation.

Persons whose land is located within the project area are parties to the IPIP proceedings. They have the right to participate actively and free of charge in those proceedings, including the right to submit comments and motions directly to the competent Voivod. It shall be noted that submissions made in the proceedings do not always require a response from the PIU. Where a response is required, the PIU will promptly take a position and forward it to the competent Voivod. The PIU's responses are communicated to the parties directly by the Voivod.

Where a party is dissatisfied with the decision issued by the Voivod, they have the right to appeal to the competent minister. All statements, motions, and evidence submitted in the appeal proceedings before the minister must be admitted and taken into account when issuing the decision.

Where a party is dissatisfied with the minister's decision, they have the right to file a complaint with the Provincial Administrative Court (WSA) in Warsaw. That court examines whether the Voivod and the minister conducted the proceedings in a proper and lawful manner, including with regard to the consideration of comments, motions, and evidence submitted by the parties. In

accordance with applicable regulations, the complaint is subject to a court fee of PLN 500. The losing party is required to reimburse the other party for the costs of the proceedings.

Where a party is dissatisfied with the judgment of the Provincial Administrative Court, they may file a cassation complaint with the Supreme Administrative Court (NSA). That court reviews not only the correctness and legality of the proceedings conducted by the Voivod and the minister, but also the judgment of the Provincial Administrative Court. The cassation complaint is subject to a fee of PLN 250. The losing party is required to reimburse the other party for the costs of the proceedings.

PAPs' rights in proceedings concerning the determination of the amount of compensation are analogous to those in IPIP proceedings. PAPs have the right to participate actively and free of charge in those proceedings, to submit comments and motions, to appeal the Voivod's decision to the minister, and to file a complaint against the minister's decision with the competent Provincial Administrative Court and, subsequently, with the Supreme Administrative Court. However, unlike proceedings concerning the issuance of an IPIP, a complaint filed with the Provincial Administrative Court against a decision determining the amount of compensation is subject to a proportional filing fee based on the value of the monetary claim covered by the contested decision, as follows:

1. up to PLN 10,000 — 4% of the value of the matter in dispute, but not less than PLN 100;
2. over PLN 10,000 up to PLN 50,000 — 3% of the value of the matter in dispute, but not less than PLN 400;
3. over PLN 50,000 up to PLN 100,000 — 2% of the value of the matter in dispute, but not less than PLN 1,500;
4. over PLN 100,000 — 1% of the value of the matter in dispute, but not less than PLN 2,000 and not more than PLN 100,000.

The filing fee for a cassation complaint to the Supreme Administrative Court is half the filing fee applicable to the Provincial Administrative Court, but not less than PLN 100.

Where a PAP is unable to bear the costs of the proceedings, they are entitled to apply for exemption from the obligation to pay court costs. Where the PAP prevails, the PIU shall reimburse the PAP for all court costs, including the costs of legal representation.

11.10 LARAP Monitoring and Evaluation

The primary objective of the LARAP is to ensure that PAPs experience an improvement in, or at least a restoration of, their social and material situation to the level prevailing prior to Project implementation. Monitoring serves to verify whether this objective is being achieved, provides PAPs with up-to-date information — reducing uncertainty and enabling them to plan accordingly — and allows for the early identification of risks and the timely implementation of corrective actions. Evaluation complements monitoring by periodically assessing, on the basis of monitoring data, whether the LARAP's objectives have been achieved, and by identifying lessons learned for the remainder of implementation or for future Tasks.

LARAP monitoring is a continuous process conducted by the PIU with the support of the LARAP Consultant throughout the entire implementation period.

As part of ongoing monitoring, progress in land acquisition and compensation payment is assessed. The following parameters are monitored in particular:

- the number of land parcels planned for expropriation and those already expropriated;
- the number of PAPs requiring resettlement and those who have been resettled;
- the number of land parcels subject to temporary occupation — planned and achieved;
- total expenditures for the resettlement process — planned and actual;
- compensation paid for loss of legal title to land;
- compensation paid for loss of livelihood;
- replacement land acquired and allocated;
- the status of implementation of mitigation measures;
- the number of grievances submitted through the GRM,
- the ex-post status of livelihood restoration among PAPs, relative to their pre-Project situation.

Monitoring data is obtained from information gathered by the LARAP Consultant and the PIU, interviews with PAPs, grievance reports, consultation point activities, and meetings with Affected Communities.

At the level of impacts on individual households and businesses, ex-post monitoring is conducted by means of an ex-post survey, covering in particular:

- the value of lost assets relative to compensation received;
- income levels before and after resettlement;
- the area of cultivated land before and after the Project;
- agricultural production volumes before and after the Project;
- access to healthcare, education, and public transportation.

The ex-post survey shall, at a minimum, cover the same parameters as the baseline socioeconomic survey conducted for the relevant Task, structured to enable direct before/after comparison for each PAP, and shall be supplemented with additional questions relevant to the specific circumstances and actual resettlement outcomes of that Task. These outcomes can only be determined once LARAP implementation is complete and are not known at the stage of preparing this LARAF; a single template ex-post survey questionnaire is therefore not appended to this document. Instead, each PIU, supported by the LARAP Consultant, shall develop the Task-specific ex-post survey by adapting the baseline socioeconomic survey questionnaire set out in Appendix II, once the actual outcomes of the relevant Task's LARAP implementation are known. The Task-specific ex-post survey shall be submitted to the PCU for review prior to its use.

Ex-post monitoring is conducted following the full implementation of the LARAP, once it can be documented that all activities provided for in the LARAP have been completed and that each PAP has received compensation in order to assess whether their living standards have been improved or at least restored to pre-resettlement levels.

Monitoring results are presented in monthly and quarterly reports. Quarterly reports are submitted to the PCU. Monitoring table templates are agreed upon with the World Bank and included in the Project Operations Manual; they may be modified during Project implementation upon the World Bank's recommendation. The E&S Panel of Experts reviews quarterly monitoring reports and provides advisory input on resettlement outcomes, verification that compensation delivered reflects the replacement cost standard, and the effectiveness of livelihood restoration measures, flagging concerns to the PCU where corrective action may be warranted ahead of the final evaluation.

An independent external evaluation of the LARAP is conducted by an Environmental and Social (E&S) Panel of Experts. upon completion of implementation. The purpose of the evaluation is to assess the effectiveness of LARAP implementation and the extent to which its objectives have been achieved including the same three areas — resettlement outcomes, replacement cost verification, and livelihood restoration effectiveness. The results of the evaluation are submitted to the World Bank.

Upon completion of all resettlement and livelihood restoration activities, and following expiry of the defects notification period, a final completion audit will be conducted by independent qualified resettlement specialists. The methodology, scope of work, and scope of any ex-post socioeconomic studies will be agreed upon with the World Bank prior to the commencement of the audit.

The audit will assess:

- whether the livelihoods and living standards of PAPs meet or exceed the conditions prevailing prior to Project implementation;
- whether all physical components specified in the LARAP have been delivered and all agreed services and support measures have been provided;
- where the above conditions have not been met, what additional measures are required to achieve improvement or, at a minimum, restoration of pre-Project conditions.

Where the audit identifies unmet objectives, corrective actions shall be proposed and implemented within a timeframe agreed upon with the World Bank. The final audit report will be publicly disclosed in accordance with the World Bank's rules.

11.11 Budget and Finalization of the LARAP

All costs associated with the preparation and implementation of the LARAP constitute an integral part of the Project's total implementation costs and are borne by the PIU. No costs related to land acquisition, compensation, or PAP support are passed on to PAPs.

Each LARAP includes a budget covering all costs necessary for its implementation, including compensation, acquisition of replacement land, PAP support measures, and a contingency

reserve for unforeseen costs and inflation. The contingency reserve shall be calculated prudently, taking into account the risk of an increase in land values between the date of valuation and the date of compensation payment, the risk of an increase in the number of PAPs resulting from changes to the scope of the works, and the risk of costs associated with administrative and judicial proceedings.

The LARAP budget is prepared by the LARAP Consultant and reviewed by the PIU. It constitutes an integral part of the LARAP submitted to the World Bank for approval and is subject to revision in the event of a change in the scope of the works or the number of PAPs.

The costs of LARAP implementation are funded from Project resources. Compensation and all other entitlements are paid prior to land acquisition, in accordance with the requirements of ESS5 and the principles set out in this document.

12 LARAF public disclosure

This LARAF will be subject to public consultation in accordance with the requirements of ESS10 prior to its final approval by the World Bank. Consultations constitute an integral part of the framework document preparation process and are intended to ensure that the principles and procedures set out in this document are known to and understood by stakeholders, and that their perspectives are taken into account.

Consultations will be conducted with a broad range of stakeholders, including in particular:

- local communities in the areas affected by the Project;
- local governments of the municipalities covered by the Project;
- other interested parties and individuals.

The LARAF consultations will include at least one public consultation meeting for each area covered by the Project — separately for the Vistula River Valley and the Kłodzko Basin. The consultation period will last at least 21 days, during which the draft LARAF will be made available for review and comments may be submitted by any interested party. Consultation may only proceed once the World Bank has cleared the framework document package for disclosure. Following the close of the consultation period, comments received are reviewed and incorporated, and a consolidated consultation report is prepared. Consultation on the LARAF is completed, and the final, consulted LARAF is disclosed, prior to Project Appraisal by the World Bank. World Bank No Objection is required before the final, consulted version of the LARAF is published.

Comments submitted during the consultation process will be reviewed and assessed and, where appropriate and feasible, incorporated into the LARAF prior to its final approval. The LARAF will include a chapter summarizing the consultation process and the manner in which submitted comments were addressed.

The updated LARAF will be submitted through the PCU to the World Bank for approval and disclosed in Poland and on the World Bank's website in both Polish and English.

Information about the LARAF and the planned consultations will be made available in advance in a manner accessible and comprehensible to all stakeholder groups, using the following communication channels:

- the websites of PGW Polish Waters and the relevant Regional Water Management Authorities (RZGW);
- notice boards at the offices of the relevant Regional Water Management Authorities (RZGW);
- notice boards and websites of the municipal offices covered by the Project;
- announcements in local media;
- social media.

Information materials will be prepared in Polish in plain language accessible to non-specialist readers. The draft LARAF will be made available in both electronic and paper formats. The paper version will be available at the offices of the relevant Regional Water Management Authorities (RZGW).

The consultation process will be designed to ensure accessibility for digitally excluded persons. To this end, the following arrangements will be made:

- comments may be submitted in writing — in person or by mail — to the address of the relevant Regional Water Management Authority (RZGW);
- comments may be submitted verbally during consultation meetings;
- meetings will be organized at times and locations accessible to local communities;
- support will be provided for persons with mobility or communication difficulties, including the opportunity to submit comments during site visits;
- sign language interpretation will be provided where necessary.

Particular attention will be paid to reaching vulnerable groups that may have limited access to information, including older adults, persons with disabilities, and residents of remote communities.

The consultation process will be documented. The documentation will include at a minimum:

- a list of institutions, organizations, and individuals notified of the consultations;
- the content of announcements and information materials published and distributed in connection with the consultations;
- the dates, locations, and format of consultation meetings held;
- attendance records from consultation meetings;
- photographs from the meetings;
- a summary of comments and proposals submitted, together with responses provided;
- a consultation report appended to the LARAF.

The consultation report will be prepared in anonymized form, in compliance with applicable personal data protection regulations, and will constitute an integral part of the LARAF submitted to the World Bank.

13 Appendices

13.1 Appendix I: Table of Contents of the LARAP

This annex specifies the minimum required content of each LARAP prepared as part of the Project. The LARAP shall be proportionate to the scale and nature of the subproject's impacts. For subprojects resulting in physical displacement or significant economical displacement, the LARAP shall include the additional elements listed below.

1. List of Abbreviations

2. Definitions

3. Introduction

- Purpose and Scope of the LARAP
- Task Status and Link to Project Documentation
    - Task Status and LARAP
    - Stakeholder Engagement Plan (SEP)
    - Grievance Redress Mechanism (GRM)
    - Environmental Impact Assessment (EIA)
- LARAP Baseline Data

4. Task Description and Impacts on Land

- Location and Technical Components
- Task Impact Area
- Description of Resource Access Restrictions Resulting from the Project

5. Legal Framework and Gap Analysis

- World Bank Requirements – ESS5
- EU legislation
- Polish law
- Compliance Analysis of Polish Law with ESS5 Requirements

6. Socioeconomic Study

- Eligibility Cut-off Date
- Land ownership status and structure
- Social structure and vulnerable groups
- Economic Situation and Sources of Income of the PAP

- Characteristics of the buildings to be acquired
- Impact on farms
- Impact on Business Entities
- Infrastructure and other assets
- Contracts and Employment
- Subsidies and loans

7. Eligibility Criteria and Entitlement to Compensation

- Definition of PAP
- PAP Preferences Regarding the Form of Compensation
- Compensation Entitlement Matrix

8. Compensation

- Identification and preparation of replacement sites for PAPs subject to physical displacement, including site selection criteria, preparation procedures, and assessment of the impact on host communities,
- Compensation for the loss of buildings and premises
- Compensation for loss of land
    - Replacement land
    - Procedure for determining compensation
    - Compensation for lost crops
    - EU subsidies
    - Cash compensation
    - Compensation for disruption of agricultural operations
    - Support for resuming agricultural operations at a new location
    - Support related to the loss of farmer status
    - Compensation for business owners
        - Compensation for the loss of a plot of land used for business operations
        - Compensation for disruption of business operations
- Compensation for remnants
- Compensation for permanent restrictions on the use of plots
- Compensation for temporary seizures
- Compensation for the loss of technical infrastructure

- Compensation for the loss of social infrastructure
- Compensation for actual relocation

9. Livelihood Restoration Plan

Livelihood Restoration Plan (LRP), constituting an integral part of the LARAP, setting out measures to improve or at least restore PAPs' productivity, income, and access to social services to pre-resettlement levels.

10. Institutional structure and implementation team

11. Public consultations

12. Complaint Procedures

- 12.1 Grievances handled in accordance with applicable legal provisions
- 12.2 Grievances handled by the GRM

13. Schedule and budget

- Schedule – with the note that all activities related to physical displacement must be completed prior to the formal acquisition of the plot by PGW WP
- Costs

14. Monitoring and reporting

- Monitoring and Evaluation Principles
- Final Report

15. Appendices

- List of Plots, Owners, and Impacts
- Maps
- SEP
- GRM

13.2 Appendix II: Questionnaire for the Socioeconomic Survey

- Questionnaire attached in electronic form

13.3 Appendix III – Due Diligence Requirements

This Annex sets forth the requirements for conducting a due diligence review (hereinafter referred to as the “DD review”) of land acquisition and resettlement activities that took place prior to the implementation of the Project or in anticipation of the Project.

A. Purpose of the DD Review

The DD review serves to:

- document and assess the adequacy of previously implemented mitigation measures;
- to assess the compliance of resettlements carried out with national law;
- to identify gaps between previous practices and ESS5 requirements;
- to identify grievances, complaints, and other unresolved issues;
- to determine corrective actions aimed at addressing the identified gaps and resolving unresolved grievances.

B. Scope and Methodology

The investor shall conduct the DD review in a manner proportionate to the scale, complexity, and time elapsed since the prior resettlement. The review shall be objective and evidence-based. The investor may combine a review of documentation with site visits, interviews, and consultations with the PAP and other key stakeholders.

The DD review may include, depending on the scale and circumstances of the prior resettlement, one or more of the following:

- **document review**—a review of legal instruments, administrative decisions, compensation agreements, payment records, appraisal reports, inventory data, and correspondence with the PAP;
- **field visits**—verification of physical conditions and assessment of the current situation of previously displaced persons, both at the resettlement site and—where applicable—at the destination;
- **interviews and consultations**—discussions with previously displaced persons, local government representatives, community leaders, and other key informants;
- **review of grievances** — analysis of grievances, claims, and legal proceedings related to prior resettlement, including their current status and outcome.

In cases where retroactive compliance with specific ESS5 requirements is not possible—in particular, pre-resettlement consultations and disclosure of information—the Investor explicitly notes this limitation in the DD review. The compliance assessment then focuses on whether the objectives of ESS5 were achieved in practice, rather than on formal procedural compliance.

C. Analysis and Assessment of Compliance

For each requirement being assessed, the Investor shall note in the DD review:

- the applicable ESS5 provision;
- the relevant requirements of national law;

- factual findings regarding past practice;
- an assessment of compliance according to the following scale;
- a comment explaining the basis for the assessment.

The investor applies the following assessment scale:

Assessment	Meaning
Compliant	The objective of ESS5 has been achieved in practice
Partially compliant	The objective has been partially achieved; the gaps are not significant or can be addressed through proportionate corrective actions
Non-compliant	The objective has not been achieved; the gaps require corrective actions
Not applicable	The provision does not apply to the specific circumstances of the resettlement—with justification

The investor presents the assessment results in a structured gap analysis table. For each element assessed, the table indicates:

- the applicable ESS5 and national law requirements;
- the assigned compliance rating;
- the nature and significance of the identified gap.

D. Unresolved Issues

The DD review identifies:

- any unresolved grievances, claims, or legal proceedings related to prior resettlement;
- individuals who may have been excluded from compensation or who received compensation that did not meet the full replacement cost standard.

E. Remedial Action Plan

If gaps or unresolved issues are identified, the DD review includes a remedial action plan. For each gap, the plan specifies:

- the proposed corrective action;
- the entity responsible for implementation;
- a timeline for implementation;
- monitoring indicators.

The investor designs corrective actions to achieve the ESS5 objectives to the greatest extent possible. Where full remediation is not possible, corrective actions are proportionate and aimed at eliminating any remaining harm to previously displaced persons.

13.4 GRM Template

1. LIST OF ABBREVIATIONS

Abbreviation	Meaning
WB	World Bank
DEC	Decision on Environmental Conditions
RLB	Register of Land and Buildings
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESS1	Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts
ESS3	Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management
ESS4	Environmental and Social Standard 4: Community Health and Safety
ESS5	Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
ESS10	Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure
GDOŚ	General Directorate for Environmental Protection
GRM	Grievance Redress Mechanism
PIU	Project Implementation Unit separated within the structure of SWH PW Regional Water Management Authority in .....
Investor	.....
CAP	Code of Administrative Procedure .
LMR	Land and Mortgage Register
SAC	Supreme Administrative Court
EIA	Environmental Impact Assessment
PAP	Project Affected Persons
SWH PW	State Water Holding Polish Waters
IPIP	Investment Project Implementation Permit
POM	Project Operations Manual
LARAP	Land Acquisition and Resettlement Action Plan
SEP	Stakeholder Engagement Plan
ESMP	Environmental and Social Management Plan
RDOŚ	Regional Director for Environmental Protection
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data (General Data Protection Regulation)
RZGW	Regional Water Management Authority
Special Flood Act	Act of July 8, 2010 on special rules for preparation for the implementation of investments in flood protection structures
REMA	Act of August 21, 1997 on real estate management
UOOŚ	Act of October 3, 2008 on the provision of information on the environment and its protection
PAC	Provincial Administrative Court
Task	.....
RIPID	Road Investment Permit Implementation Decision

2. DICTIONARY

Term	Definition
Stakeholder	Individuals or groups who: (a) are affected or may be affected by the consequences of the Task (parties affected by the Task); and (b) may be interested in the Task (other interested parties)
Grievance	Any notification or expression of dissatisfaction – verbal or written, named or anonymous – in the form of a complaint, question, suggestion, request, opinion or grievance concerning the preparation or implementation of the Task, which requires a response, explanation or corrective actions by the project team.
Submitting Party	A person or group of persons submitting a grievance under the GRM system
Notice of dissatisfaction with the handling of case	Formal submission of dissatisfaction with the handling of the case under the GRM system, submitted within 14 days of receiving the response, which results in the case being referred to the second-tier review to the GRM Committee for reconsideration.
Fast track	Streamlined process used to review and assess minor issues for cases that do not require detailed analysis, site visits or legal consultations. It focuses on quick verification of facts, basic documentation review, and prompt resolution.
Monitoring (LEG cases)	Tracking the progress of cases examined by external bodies (courts, administrative bodies, law enforcement and supervisory agencies including the Police, Public Prosecutor's Office, State Labour Inspectorate, Environmental Inspectorate, and other public oversight bodies) for information purposes, without interfering in their substantive examination. All LEG cases are registered in the GRM Register and assigned a unique LEG reference number.
Closing the case	Finalization of the grievance examination process after: (1) substantive consideration, (2) implementation of the solution (if applicable), (3) informing the submitting party of the outcome, (4) expiry of the deadline for submitting a notice of dissatisfaction.
Remedial measures	Actions taken to correct, mitigate, or eliminate a harm, problem, or non-compliance identified through a submitted grievance, including physical, financial, procedural, or communicative interventions.
GRM Coordinator	Person responsible for: registering all submissions, tracking status and response deadlines, coordinating activities between expert teams, communicating with submitting parties, and reporting. The GRM Coordinator has authority to resolve straightforward cases independently. Complex cases, escalations, and notices of dissatisfaction are referred to the GRM Committee for decision.
GRM Committee	A team consisting of the head of the PIU, the PIU land acquisition department manager and a key social expert from the PIU technical support consultant team. For cases requiring specialized assessment, the Committee may invite key environmental, social, or technical experts as needed. The Committee is responsible for reviewing grievances forwarded by the GRM Coordinator as requiring consideration at a higher level and of notices of dissatisfaction with the handling of a case.
GRM register	A centalized database used to record, track, and manage all grievances. For each submission, the register contains: unique grievance ID number; date received; complainant/grievant details (or anonymized reference); description of the grievance; category/type (e.g., land acquisition, environmental, communication); current status (received / under review / resolved / closed); actions taken; responsible person or unit; planned and actual resolution deadlines; escalation history; and complainant satisfaction with the outcome.

3. INTRODUCTION

3.1. Purpose of the document

This document defines the Grievance Redress Mechanism (GRM) specifically established for the task titled ……..". The document is an integral part of the Task's environmental and social management system for receiving, registering, and resolving grievances, feedback, and inquiries from all stakeholders.. As a rule, it is intended to provide all stakeholders with an effective, transparent and free-of-charge system for submitting requests, opinions, comments, complaints and reservations related to the preparation and implementation of the Task.

It should be emphasized that filing a grievance under the GRM is free of charge, and submitting parties are protected from any form of retaliation, harm, discrimination, or unfounded allegations arising from their use of this mechanism. All grievances may also be made anonymously.

This document outlines a procedure for filing grievances by the Task stakeholders (including, among other things, the form of grievances submitted) and the deadlines for their consideration.

The a GRM system has a dual function - recording and tracking all grievances **feedback, and inquiries — whether or not directly related to the Task,** and complaints related to the Task, regardless of whether they are resolved through the GRM mechanism or by external authorities (courts, administrative bodies and law enforcement and supervisory authorities (including the Police, Public Prosecutor's Office, State Labour Inspectorate, and Environmental Inspectorate). For each submission, the GRM determines the appropriate course of action: substantive consideration under the GRM, referral to an external body, or a finding of inadmissibility. The aim of this approach is:

- providing a complete overview of all grievances and their status – ensuring that the project team remains fully informed about all matters related to the Task,
- ensuring full traceability of all submissions and preventing gaps in the task's monitoring coverage, early identification of emerging issues and timely management of escalation risk – early identification of potential problems or emerging conflicts.

This GRM mechanism applies to all grievances, feedback, and inquiries related to the Project's environmental, social, technical, and fiduciary aspects, covering all relevant Environmental and Social Standards. The GRM incorporates specific procedures for the safe, confidential, and survivor-centered handling of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) complaints, in line with World Bank ESF requirements [see section 6-8]. For grievances concerning employee matters covered by ESS2 (Labor and Working Conditions), a separate mechanism for considering grievances will be developed, The GRM system records all cases and then:

- assesses each submission upon receipt to determine admissibility and the appropriate course of action; all submissions are registered regardless of the outcome of this assessment,
- examines these grievances that can be considered under the GRM mechanism,
- monitors the progress of those that are decided by external bodies – without interfering in their substantive consideration.

For grievances concerning land expropriation and compensation, the GRM operates in conjunction with the statutory remedies available under Polish law. The Task-level GRM records and monitors all such cases until their final resolution by the competent authorities, without interfering in their substantive

consideration. The use of statutory remedies does not preclude a complainant from simultaneously engaging with the project-level GRM, and does not prejudice any rights available under national law.

3.2. Legal basis and standards

The Grievance Redress Mechanism was developed in accordance with:

- World Bank's Environmental and Social Frameworks (ESF), in particular ESS10 – Stakeholder Engagement and Information Disclosure,
- Act of June 14, 1960, Code of Administrative Procedure, hereinafter as CAP,
- Act of October 3, 2008 on the provision of information on the environment and its protection
- Act of August 21, 1997 on real estate management
- Act of July 8, 2010 on special rules for preparation for the implementation of investments in flood protection structures
- Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), hereinafter as GDPR.

Stage	GRM functional requirements
Early design	GRM must be set up and operational immediately at this stage, before consultation processes begin
	Receive and register feedback and concerns on all steps in preparation
	Ensure public communication of GRM channels, consistent with the phasing set out in the SEP
Design	Adress all grievances from the ESIA process
	Address environment-related grievances arising from the EIA process
	Provide a mechanism for stakeholders to raise concerns and file appeals in connection with the decision on environmental conditions, in coordination with the competent authority (RDOŚ/GDOŚ)
	Receive and register feedback on LARAP and ESMP documentation disclosed for consultation, consistent with the phasing set out in the SEP and the note on the ESMP
Pre-construction	Handle grievances related to land acquisition, valuation, and compensation
	Ensure coordination with the municipality, Ministry, and valuation bodies responsible for compensation determinations
	Register all LEG cases without interfering in formal proceedings
	Ensure SEA/SH procedures are in place and GRM operators are trained before contractor mobilization
Construction	Receive and resolve grievances related to works execution
	Ensure coordination with the Contractor and integration with the Contractor's own grievance handling procedure
	Ensure linkage with the workers' GRM
	Apply dedicated SEA/SH procedures for safe, confidential, and survivor-centered handling of SEA/SH complaints, including immediate referral to GBV service providers
	Ensure no personally identifiable information of survivors is recorded in the GRM system
Operation	Monitor residual grievances
	Handle grievances related to reservoir operation and safety

This GRM document constitutes the primary and complete framework for handling grievances under the Task, fully defining the process, handling procedures, roles, contact persons, and contact details. Prior to the commencement of construction works, this GRM will be updated to reflect the specific operational arrangements for that stage, including coordination with the Contractor and linkage with the workers' GRM. The ESMF and POM integrate this GRM as designed for this and other schemes under the Project.

4. GRM OBJECTIVES AND PRINCIPLES

Objectives of GRM mechanism

- Enabling all stakeholders to submit grievances understood as complaints, requests, questions, suggestions or grievances concerning the Task,
- Ensuring a fast, effective, free of charge, accessible, transparent and fair process for handling grievances,
- Reducing the risk of escalating disputes and delays in Task execution
- Compliance with the requirements of the World Bank's ESF and Polish law,
- Building trust and constructive relationships with the local community.

Guiding principles

1. **Confidentiality**

The personal data of complainants is protected in accordance with the GDPR. Information about the identity of the person submitting the grievance shall not be disclosed without their consent, unless required by law.

2. **Impartiality**

Grievances are judged objectively and without bias.

3. **Transparency**

Submitting parties are informed about the course of the grievance examination procedure, the person responsible for examining it, the expected deadlines, and the possibilities for notifying their dissatisfaction with the handling of the case. All activities are documented.

4. **Availability**

The mechanism is free of charge, available through multiple channels (in writing, verbally, online, by telephone), and understandable to all social groups, including older people and people with disabilities.

5. **Responsiveness**

Grievances are processed without undue delay, within specified time limits. Submitting parties receive regular updates on the status of their case.

6. **No repression**

No person shall suffer any negative consequences as a result of submitting a grievance. This principle applies to both the community and Task employees.

7. **Access to other remedies**

Access to the GRM shall not impede or preclude access to judicial or administrative remedies available under national law. Complainants retain the right to pursue legal avenues at any stage, independently of the grievance mechanism.

5. Scope of GRM mechanism

GRM does not have the authority to substantively consider or resolve the following categories of cases, as their examination falls exclusively within the competence of independent state authorities: :

- appeals against administrative decisions (including environmental decision, investment project implementation permit decision, compensation decisions, etc.) – considered by higher-level authorities in accordance with the CAP
- complaints to provincial administrative courts (PAC) and the Supreme Administrative Court (SAC)
- requests for reconsideration of a case and requests for concluding the invalidity of the decisions submitted to public administration bodies in accordance with the CAP,
- grievances against decisions issued in the course of administrative proceedings,
- cases being investigated by other state authorities, in particular the police, the public prosecutor's office, the National Labor Inspectorate, the Environmental Protection Inspectorate and other controlling authorities, as well as authorities responsible for public safety and order.

All of the above cases are nevertheless accepted and registered by the GRM upon receipt. Where relevant, the GRM facilitates the transmission of such cases to the competent authority and informs the complainant of the appropriate legal avenue available to them. The GRM then monitors the progress of these cases for information purposes, without interfering in their substantive examination.

The GRM has full authority to receive, assess, and resolve grievances concerning matters falling within the direct competence of the Investor (PGW WP RZGW Wrocław), including in particular: information and communication obligations, land acquisition and compensation procedures conducted directly by the Investor, environmental and social management during design and construction, and contractor conduct during works.

The matters listed above are being considered within the framework of legal procedures independent of the Investor and over which the Investor has no influence. Under Polish law, the examination of such cases falls exclusively within the competence of the relevant administrative authorities, courts and

public security and order authorities. The GRM mechanism does not have the authority to replace or interfere with these procedures.

While the GRM does not interfere in proceedings conducted by external authorities, the Investor undertakes all legally available efforts to support their timely resolution, including in particular the prompt preparation and delivery of required documentation, responses to requests from competent authorities, and timely provision of any information necessary for the proceedings.

The GRM operates as a single entry point for all submissions related to the Task. Upon receipt, each submission is registered and classified according to its nature, and the GRM determines the appropriate course of action:

- substantive consideration and resolution under the GRM — for matters within the Investor's competence;
- transmission to the competent authority and monitoring — for matters under external jurisdiction;
- a finding of inadmissibility — where the submission does not fall within the GRM's scope.
- This approach ensures: providing a complete overview of all grievances and their status – ensuring that the project team remains fully informed about all matters related to the Task,
- counteracting the risk of information loss – no case "slips through" the monitoring system,
- enabling preventive measures – early identification of potential problems or emerging conflicts.

In practice, a situation may arise in which:

- the matter is first reported to the GRM,
- then the party decides to take formal action (e.g. lodges an appeal against an administrative decision),
- if the case had not been recorded in the GRM, the project team would have lost track of its progress and would not have been able to manage the risks appropriately.

Hence, the GRM system records all cases and then:

- decides on those that are submitted under the GRM mechanism,
- monitors the progress of those that are decided by external bodies – without interfering in their substantive consideration,
- the GRM continues to track the case and maintains a record of its progress, enabling appropriate risk management by the project team.

6. ORGANIZATIONAL STRUCTURE AND MANAGEMENT OF GRM

PLACE HERE

Figure 1 - GRM organizational structure

6.1. Responsible unit

Project Implementation Unit

State Water Holding Polish Waters

Regional Water Management Authority in ……..

address

6.2. GRM Coordinator

The GRM Coordinator is the main point of contact responsible for:

- Recording all incoming grievances within the GRM
- Tracking the status and deadlines for processing the grievance,
- Coordinating the activities between expert teams,
- Communication with complainants,
- Reporting to the World Bank.

The GRM Coordinator is part of the PIO's land acquisition team

6.3. GRM Committee

The GRM Committee considers grievances forwarded by the GRM Coordinator as requiring consideration at a higher level of grievance management and those for which the Submitting Party has expressed dissatisfaction with the handling of the case. The Committee is responsible for reviewing the merits of each case referred to it, determining the appropriate resolution, and communicating the outcome to the Submitting Party within the prescribed deadline.

The GRM Committee consists of: the head of PIU, the PIU social department manager and a key social expert on the Consultant's side. The Committee is multidisciplinary in composition — depending on the nature of the grievance under consideration, the standing members may invite relevant technical, environmental, legal, or fiduciary experts to support the review. The composition of the Committee for each case is documented in the GRM Register.

6.4. Project Coordination Unit

The Project Coordination Unit monitors the correct functioning of the GRM system and reports directly to the World Bank. The PCU's role is monitoring in nature — it verifies whether the GRM operates in accordance with the established procedures and rules, without interfering in individual case handling or outcomes. Where systemic deficiencies are identified, the PCU may flag these to the PIO for corrective action.

In cases escalated to the national level, the PCU may perform an additional coordination function, ensuring that the relevant parties are informed and that the case is appropriately tracked. The PCU does not form part of the GRM Committee.

6.5. GRM team structure

Role	Scope of responsibility
GRM Committee	It considers grievances assigned by the GRM Coordinator as requiring consideration at a higher level and those for which the complainant has notified of dissatisfaction with the handling of the case
GRM Coordinator	Registration of grievances, tracking, coordination, reporting, contact with the community
Key Social Expert (Technical Support Consultant)	Support in investigating the grievances concerning matters related to LARAP and other social issues. The Technical Support Consultant is engaged for the duration of the design and pre-construction stages; continuity arrangements for subsequent stages will be confirmed prior to construction commencement
Environmental Specialist	Support in resolving environmental grievances
Site Manager (after Contractor selection)	Support in resolving matters related to the performance of the Works

7. CHANNELS AND METHODS FOR SUBMITTING COMPLAINTS

In order to ensure full accessibility, the system offers the following channels for submitting complaints:

1. By using the standard grievance forms (optional) available at:

    a. Project Office:

    b. Consultant's Office:

    c. at the information point for PAP:

Grievance forms and a brief information leaflet on the GRM — describing available channels, deadlines, and submitting parties' rights — will be available in paper form at all locations listed above, as well as on the websites and Facebook page listed above.

2. **Dedicated telephone/SMS** tel.
3. **E-mail**:
4. **Traditional post/e-delivery**

5. **Meetings and consultations -** the possibility to submit a verbal/in writing grievance during:
    a. Public consultations
    b. Duty shifts at the Information Point for PAP,
    c. Field meetings with the Consultant's personnel and PIO representatives.

Note: Verbal grievances require the person receiving them to draw up a written record.

As per the World Bank’s requirements, the system also accepts anonymous complaints. They are considered on an equal footing with complaints submitted under a name, but the lack of contact details makes it impossible to provide feedback to the complainant.

8. CLASSIFICATION OF GRIEVANCES

8.1. Level 1: Suggestions, questions, and requests for information (IRP)

Grievances relevant to stakeholder engagement:

Code	Character	Examples	Objective
IRP-01	Information request	Request for a copy of the LARAP, work schedule, explanation of standards	Dissemination of information
IRP-02	Request/Proposal/Application	Suggestion to change working hours, proposal for a temporary access road	Conflict prevention Impact reduction/minimalization
IRP-03	Opinion	Opinion on stakeholder engagement	Satisfaction monitoring

8.2. Level 2: Complaints and grievances (GR)

Reporting the damage, nuisance, problem or non-compliance with project plans requiring investigation:

Code	Category	Scope/Examples	Level of resolution
GR-RAP	Properties and compensation	Disputing the amount of compensation, delays in payment, damage to property	GRM Coordinator / GRM Committee
GR-LRP	Means of subsistence and support	Lack of support, loss of income, resettlement issues	GRM Coordinator / GRM Committee
GR-ENV	Environmental impact	Noise, dust, water/soil pollution, waste, environmental impacts, etc.	GRM Coordinator and expert team
GR-SIA	Social impact/Health and safety	Access issues, traffic safety, nuisances, complaints about staff	GRM Coordinator and expert team
GR-COM	Procedural/communication-related	No response to r grievances, improper consultations, breach of confidentiality	GRM Coordinator / GRM Committee
GR-SEA/SH	Sexual Exploitation and Abuse / Sexual Harassment	Any complaint related to SEA/SH involving project-associated personnel or occurring in connection with the Task, submitted by community members	GRM Coordinator — immediate referral to competent public support services (GBV service providers)

8.3. Level 3: Formal complaints – legal route (LEG)

The listed categories of cases are the legal means of challenging decisions or proceedings conducted by competent state authorities, as provided for in Polish law. Their consideration falls exclusively within the competence of higher-level administrative bodies, administrative courts or law enforcement and control authorities. The GRM mechanism is an extrajudicial and extra-administrative tool – it has no powers to interfere with or replace these procedures.

The matters below are recorded in the GRM system solely for information and monitoring purposes. The GRM project team monitors their progress in order to remain fully informed about matters related to the project, but their substantive consideration is carried out by the relevant authorities, independent of the project.

Code	Character	Consideration path
LEG-EIA	Environmental decision	Appeal to GDOŚ/complaint to PAC
LEG-IPIP	IPIP/Expropriation	Complaint to the Minister of Infrastructure (as the higher-level authority over the Voivode who issues the IPIP decision)/complaint to PAC
LEG-ODSZ	Amount of compensation	Appeal to the Minister of Infrastructure against the Voivode's compensation decision, or complaint to PAC
LEG-INV	Proceedings of state authorities in exceptional circumstances (e.g. accident, exposure to danger, etc.)	Proceedings conducted by judicial, supervisory and state security authorities, such as the police, public prosecutor's office, Labor Inspectorate, Environmental Protection Inspectorate, etc.

8.4. Level 4: Malicious/abusive grievances (MAL)

Code	Character	Procedure
MAL-01	Misleading, repeating closed cases without new circumstances, false allegations, manipulation	Legal verification; possibility of refusal to consider after proving abuse
MAL-02	Threats against staff, allegations of corruption	Immediate escalation to the GRM Committee

9. GRIEVANCE HANDLING PROCEDURE

The procedure comprises eight steps leading to the provision of high-quality services. A defined temporal framework applies to each stage, as set out below:

1. Identification and registration of grievance
2. Confirmation of receipt
3. Assessment and classification (triage)
4. Early resolution or analysis
5. Consideration of remedial measures
6. Communication of results and consultation with the complainant on resolution options
7. Finalization or escalation
8. Feedback on system issues
9. Archiving

Note - formal complaints subject to the legal route and described in chapters 4.3 and 7.3 are only subject to registration and classification. SEA/SH complaints are handled exclusively under the dedicated procedure set out in section 8.4.

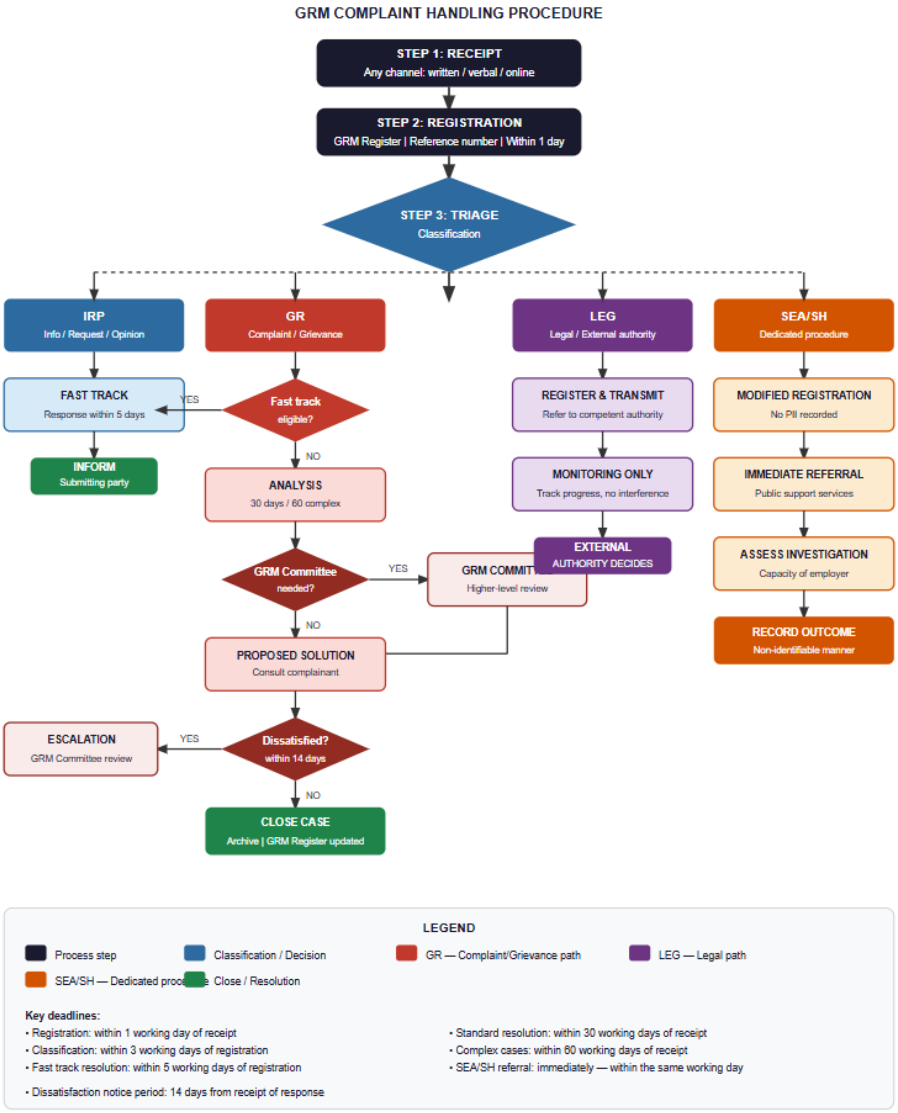


Figure 2 - GRM complaint handling procedure

9.1.Registration

Step	Action	Responsible entity	Deadline
1.1 Receipt	Receiving the grievance via any channel (in writing, verbally, online)	GRM Coordinator/Task Personnel	Immediately upon receipt
1.2 Registration	Entering into the GRM Register, assigning a reference number, preliminary classification	GRM Coordinator	Within 1 working day of receipt

9.2. Assessment and classification

	Action	Responsible entity	Deadline
2.1 Classification	Determining the character: IRP/GR/LEG/SEA/SH/MAL and and urgency based on the magnitude and nature of the reported impact	GRM Coordinator with the participation of Expert Consultant	Within 3 working days of registration
2.2 Allocation	Referral to the appropriate expert/team or to monitoring (LEG complaints)	GRM Coordinator	Within 1 working day of classification
2.3 Verification	Checking the completeness of information, possible contact with the complainant	Assigned expert	Within 2 working days of allocation
2.4 SEA/SH	SEA/SH complaints are not subject to standard classification or allocation. Upon identification, the GRM Coordinator immediately refers the survivor to competent public support services. The GRM's role is limited to facilitating safe referral and recording the outcome in a non-identifiable manner	GRM Coordinator	Immediately — no standard triage applied

9.3. Resolving the matters

9.3.1. Fast track

A fast-track procedure is available for straightforward cases. A simple case eligible for fast-track consideration is a grievance that meets all of the following conditions:

- does not require detailed analysis or evidence gathering,
- the recipient has sufficient information and competence to respond or take action,
- the solution can be implemented immediately or within a maximum of 5 working days,
- the case does not require referral to the GRM Committee/legal consultation.

The category of simple matters includes, in particular:

- information requests concerning the work schedule, design procedures or scope of the investment,
- requests for providing documents or information materials (excluding matters relating to public information and environmental information),
- complaints about lack of notification or insufficient communication – requiring an apology and additional information,
- matters beyond the scope of the Task's competences – requiring only referral to the competent authority,
- recurring, routine requests for which a standard solution has been developed.

Cases are NOT eligible for the fast track if they:

- concern compensation, property valuation or resettlement,
- require site visits, gathering documentation, internal project consultations or discussions with multiple parties,
- are associated with potential legal liability for the project,
- are collective in nature or concern many people,
- contain elements of aggression, threats or accusations of corruption,
- concern workplace safety incidents,

- are identified as or suspected to be SEA/SH-related — SEA/SH complaints are never subject to fast-track procedure and are handled exclusively under the dedicated SEA/SH procedure.

Step	Deadline
Assessment and decision on fast-track eligibility	Within 3 working days of registration
Resolution and communication to submitting party	Within 5 working days of registration
Closing the case (if no notice of dissatisfaction received)	Within 19 working days of resolution (14-day dissatisfaction period + 5 days)

9.3.2. Analysis and solution

Cases within the GRM system are processed within 30 days of receipt of the grievance.

Particularly complex cases requiring expert analysis are considered within 60 days of receipt of the grievance. If it is not possible to consider the case within this time limit, the GRM Coordinator shall agree with the Submitting Party on a date for considering the grievance.

Step	Action	Responsible entity	Deadline
Analysis	Collecting the facts, site visit, discussions with stakeholders and experts	Assigned expert / GRM Coordinator	Within 10 days of allocation
Proposed solution	Developing a plan of corrective actions/preparing an expert opinion; the complainant is consulted on proposed resolution options before a final determination is made	Assigned expert / GRM Coordinator	Within 20 days of receipt
Response	Written response with findings, actions, deadlines and instructions	GRM Coordinator	Within 30 days of receipt (60 for complex cases)
Implementation	Implementation of corrective actions and verification	Responsible expert / PIO unit	As per agreed action plan
Closing	Marking the case as "Closed" after confirming the resolution.	GRM Coordinator	After expiry of 14-day dissatisfaction period

9.4 SEA/SH grievances

SEA/SH grievances are handled under a procedure separate from the standard GRM process, consistent with World Bank ESF requirements and the Good Practice Note on Addressing SEA/SH in Investment Project Financing involving Major Civil Works (Third Edition, October 2022). This procedure applies to two distinct but related categories:

- Sexual Exploitation and Abuse (SEA): any actual or attempted abuse of a position of vulnerability, differential power or trust for sexual purposes, including sexual abuse by project-associated personnel against community members;
- Sexual Harassment (SH): any unwanted verbal, non-verbal or physical conduct of a sexual nature occurring in the workplace or in connection with the Task-related activities.

This procedure is operational from the early design stage and will be updated prior to construction commencement to reflect risks associated with labor influx and contractor presence.

The following principles apply to all SEA/SH cases:

1. Survivor-centered approach: the survivor's safety, confidentiality, dignity and wishes are the primary consideration at every stage. For adult survivors, this means following the survivor's wishes and recognizing them as the principal decision-maker in their own care.
2. Do no harm: no action is taken that could increase the risk of retaliation or harm to the survivor.
3. Confidentiality: no personally identifiable information of the survivor is recorded in the GRM Register or disclosed to any unauthorized person. Access to the restricted-access section of the GRM Register is limited to the GRM Coordinator. Members of the GRM Committee and the PCU contact are granted access only to the extent strictly necessary for the performance of their specific function and only for the duration of that function.
4. Non-discrimination: SEA/SH grievances are handled without judgment, regardless of the identity of the survivor or the alleged perpetrator.
5. Mandatory reporting obligations: prior to receiving a SEA/SH grievance, the survivor is informed of any mandatory reporting obligations under Polish national legislation. Reporting to law enforcement authorities is undertaken only with the informed consent of the survivor, unless otherwise required by law.
6. Best interests of the child: where the survivor is a minor (under 18 years of age), the best interests of the child are the primary consideration in all actions. The standard survivor-centered approach is applied with additional safeguards — no information is collected from a child without the presence of an appropriate adult, and the case is immediately referred to child protection services in addition to standard referral.
7. Anonymous reporting: SEA/SH grievances may be submitted anonymously. Anonymous grievances are handled under this procedure without any attempt to identify the survivor. Where a grievance is submitted anonymously and no direct contact with the survivor is possible, the GRM Coordinator does not attempt to initiate contact. In such cases, referral to support services takes the form of ensuring that up-to-date information on available local support services is maintained and publicly accessible on the Project information boards and on the Project website.

All SEA/SH grievances, regardless of whether submitted under a name or anonymously, are handled exclusively under this procedure. The identity of the survivor is protected at every stage — no personally identifiable information is shared beyond the GRM Coordinator and authorized personnel.

The survivor retains full control over the process and is not required to provide any information beyond what they voluntarily choose to disclose. No adverse consequences shall result from the submission of a SEA/SH grievance, and no pressure shall be placed on the survivor to pursue any particular course of action.

Step	Action	Responsible entity	Deadline
Receipt and identification	Upon receipt, if the submission is identified as or suspected to be SEA/SH-related, the standard procedure is immediately modified. The survivor is informed of their rights and of mandatory reporting obligations under Polish law. If the survivor is a minor, child protection services are contacted immediately in addition to standard steps.	GRM Coordinator	Immediately upon identification
Modified registration	The case is registered in a restricted-access section of the GRM Register, accessible only to authorized personnel. For the purposes of this procedure, authorized personnel are limited to: the GRM Coordinator; members of the GRM Committee, but only where the case involves a project-associated perpetrator or requires escalation; and the designated PCU contact, but only where notification under Step 5 is required. Access to the restricted-access section of the GRM Register is limited to the GRM Coordinator. Members of the GRM Committee and the PCU contact are granted access only to the extent strictly necessary for the performance of their specific function and only for the duration of that function. Information recorded is limited to: (i) the nature of the grievance in the survivor's own words, without probing or leading questions; (ii) whether the alleged perpetrator is associated with the Project; (iii) if voluntarily provided, the age and sex of the survivor; (iv) whether the survivor has been referred to support services. No further information is requested or recorded.	GRM Coordinator	Immediately
Referral	The GRM Coordinator immediately refers the survivor to competent public support services, including crisis intervention centers, psychological support services, and legal aid available under Polish national and local social support systems. A list of available local services is maintained and updated by the GRM Coordinator. Where the grievance is submitted anonymously and no direct contact with the survivor is possible, referral takes the form of ensuring that up-to-date information on available support services is publicly accessible on the Project information boards and on the Project website. No attempt is made to identify or contact the anonymous survivor.	GRM Coordinator	Immediately — within the same working day
Assessment of investigation capacity	The GRM Coordinator assesses: (i) whether it is safe for a misconduct investigation to be undertaken; (ii) whether the alleged perpetrator is associated with the Project; (iii) whether the employer of the alleged perpetrator has an appropriate administrative process in place — with in-house expertise and survivor-centered procedures — to conduct a misconduct investigation. The assessment is based on the following minimum criteria: (a) the existence of a documented internal misconduct procedure that ensures confidentiality and a survivor-centered approach; (b) the availability of personnel with relevant competence who are independent of the alleged perpetrator; and (c) the absence of a conflict of interest at the level of the employer's management. Where such capacity is lacking, the GRM may recommend that the employer establish a service contract to procure expertise through a suitably qualified person or organization. Where the employer fails to initiate or unreasonably delays the misconduct investigation, the	GRM Coordinator / GRM Committee	Within 3 working days of receipt

Step	Action	Responsible entity	Deadline
	GRM Coordinator notifies the PCU, which may direct the relevant employer to take corrective action. Where the alleged perpetrator is a project worker, the GRM Coordinator notifies the GRM Committee and — where applicable — the PCU.		
Notification to PCU	Where the case involves a project-associated perpetrator or is of a serious nature, the GRM Coordinator notifies the PCU for oversight purposes. The PCU does not intervene in individual case handling. The PCU may, however, direct corrective action where the employer's investigation process is found to be inadequate or where the employer fails to act within a reasonable timeframe.	GRM Coordinator	Within 3 working days of receipt
Outcome recording	The outcome of the grievance is recorded in a non-identifiable manner in the restricted-access section of the GRM Register.	GRM Coordinator	Upon conclusion of referral and assessment

The role of the GRM in SEA/SH cases is strictly limited to:

(i) facilitating safe and ethical referral to competent public support services;

(ii) assessing the adequacy of the employer's misconduct investigation process;

(iii) notifying the PCU where required; and

(iv) recording the outcome in a non-identifiable manner. The GRM does not investigate SEA/SH allegations.

All SEA/SH-related information is treated with strict confidentiality, with access restricted to authorized personnel only.

Prior to construction commencement, the Contractor will be required to adopt a Code of Conduct addressing SEA/SH, consistent with World Bank standard procurement documents. Compliance with the Code of Conduct will be monitored by the supervising engineer.

The following indicators are tracked and reported to the World Bank on a semi-annual basis. All data reported externally is aggregated and non-identifiable. Disaggregated data is reported only where the number of cases in a given category is sufficient to prevent re-identification of the survivor (minimum threshold: 3 cases per category). Where the number of cases in a given category falls below this threshold, the indicator is reported as "<3" and no further disaggregation is provided. No personal data is transferred to the World Bank.

- Number of SEA/SH grievances received (disaggregated by type: SEA / SH / anonymous — subject to re-identification threshold)
- Number of survivors referred to public support services
- Number of cases where investigation capacity assessment was conducted
- Number of Contractor's personnel trained in SEA/SH awareness
- Number of training sessions delivered by the Contractor and percentage of personnel trained.

SEA/SH indicators are reported separately from general GRM monitoring data and are not included in publicly disclosed GRM reports.

Prior to the commencement of works, the Contractor is required to ensure that all personnel receive training in SEA/SH awareness, applying a survivor-centered approach. Training covers at minimum: definitions of SEA and SH; expected standards of conduct under the Code of Conduct; reporting obligations; and referral pathways to public support services. Training is delivered by a qualified specialist appointed by the Contractor. Training records are maintained by the Contractor and submitted to the supervising engineer upon request.

9.5. Complaints and motions submitted under the Code of Administrative Procedure

Section VIII of the Code of Administrative Procedure (CAP) regulates the procedure for submitting complaints and motions to state authorities. According to the regulations:

- the subject of the complaint may be, in particular, negligence or improper performance of tasks by the competent authorities or their employees, violation of the rule of law or the interests of the complainants, as well as protracted or bureaucratic handling of cases (Article 227 of the CAP).

- the subject of the motion may include, in particular, matters related to improving organization, strengthening the rule of law, streamlining the work and preventing the abuse, protecting property, and better satisfaction the population's needs (Article 241 of the CAP).

Article 229 of the CAP provides that unless specific provisions designate other authorities competent to examine complaints, the National Water Management Authority is the authority competent to examine complaints concerning the tasks or activities of SWH PW - Regional Water Management Authority in Wrocław.

The authority competent to examine the complaint may refer it to a lower-level authority for resolution, provided that the complaint does not contain allegations concerning the activities of that authority. A complaint against an employee may also be forwarded for resolution to their supervisor, with the obligation to notify the authority competent to examine the complaint of how it has been resolved. The complainant shall also be notified that the complaint was forwarded.

A complaint in an individual case, which has not been and is not the subject of administrative proceedings, shall give rise to initiating the proceedings, if it has been lodged by a party. If such a complaint comes from another person, it may result in the initiation of administrative proceedings ex officio, unless the regulations require a request from a party to initiate proceedings.

In the case in which administrative proceedings are pending:

1) the complaint lodged by the party shall be examined in the course of the proceedings, in accordance with the provisions of the Code;

2) the complaint from other persons constitute the material which the authority conducting the proceedings should examine ex officio.

Article 242 of the CAP stipulates that motions shall be submitted to the authorities competent for the subject matter of the motion. If the authority that has received the motion is not competent to consider the same, it shall forward it to the competent authority within seven days. The applicant shall also be notified that the motion was forwarded.

Under Article 237 of the CAP, complaints and motions shall be dealt with without undue delay, but no later than within one month. Particularly complex cases are dealt with within a maximum period of 2 months, which may be extended.

Members of Parliament, senators and councillors who have lodged a complaint on their own behalf or forwarded another person's complaint for resolution should be notified of the manner in which the complaint has been resolved, and if evidence, information or explanations need to be collected to resolve it, also of the status of processing the complaint, no later than fourteen days from the date of its submission or referral.

The complainant shall be notified of the manner in which the complaint or motion has been dealt with. In accordance with Article 238, a notice of the manner in which the complaint has been resolved shall include: identification of the authority from which it originates, an indication of how the complaint has been considered, and a signature stating the name and official position of the person authorized to deal with the complaint. A notice of refusal to process a complaint should also include factual and legal grounds and information about the content of Article 239. This provision stipulates that if, as a result of its examination, the complaint has been found to be unfounded and its unfounded nature has been demonstrated in the response to the complaint, and the complainant has repeated the complaint without indicating any new circumstances, the authority competent to examine it may uphold its previous position with an appropriate note in the case file, without notifying the complainant.

The above provisions apply to complaints and motions submitted in accordance with the CAP, with the reservation that in the case of an unfounded complaint, the complainant must be notified that the complaint will not be considered.

9.6. Notice of dissatisfaction with the handling of case

If the complainant is dissatisfied with the solution, they may submit a notice of dissatisfaction with the handling of the case to the GRM Committee within 14 days of receiving the response. In cases where the complaint is being considered by the GRM Committee, if the complainant is dissatisfied with the manner in which the matter has been handled, they may submit such a notice together with a request for reconsidering the matter.

Step	Timeframe	Action	Who
Submission of the notice of dissatisfaction with the handling of case	Within 14 (fourteen) days from the date of receipt of the decision on the submitted grievance.	Notice of dissatisfaction	Submitting party
Re-analysis	Within 5 working days of receipt of the notice of dissatisfaction	Review of all documentation	GRM Committee
Final position	Within 30 working days of receipt of the notice of dissatisfaction	Written, final response	GRM Committee

9.7. Closing the case

Closing a case in the GRM system means finalizing the process of reviewing the grievance and confirming that the case has been:

- considered on its merits,
- the solution has been implemented (if applicable),

- the submitting person has been informed of the outcome,
- the submitting party's satisfaction with the outcome has been sought; where dissatisfaction has been expressed, the 14-calendar-day deadline for submitting a notice of dissatisfaction has expired without such notice being received,
- no further action is required under the GRM system.

A case may be closed even where the submitting party continues to maintain claims that have been assessed as unsubstantiated or excessive, provided that the grievance has been substantively considered, a reasoned response has been issued, applicable remedial measures have been extended, and the deadline for submitting a notice of dissatisfaction has expired. In such cases, the grounds for closure are documented in the GRM Register.

LEG cases are not closed in the traditional manner – they are monitored until the proceedings are completed by the relevant external authorities.

The status of a LEG case may be changed to "closed" after:

issuing a final administrative decision

- issuing a final ruling by an administrative court
- closing the investigation by state authorities (police, public prosecutor's office, inspectorates)
- discontinuing the proceedings
- withdrawing the complaint/appeal by the submitting party

A closed case may be reopened, particularly in the following circumstances:

- the submitting party presented new factual circumstances that were not known at the time the case was examined,
- an error was found in the examination of the case (e.g. relevant evidence was omitted, the procedure was incorrectly applied),
- corrective actions have not been implemented or have proved ineffective.

The GRM Coordinator decides on the reopening of a closed case, after obtaining the opinion of the GRM Committee.

10. Corrective actions

Grievances should be resolved through remedial measures that are proportionate to the nature and severity of the concern raised, fair, transparent, and implemented in a timely manner. Corrective actions may seek to address both the process through which the issue arose and the substantive impact experienced by the complainant.

Depending on the circumstances of the case, remedial measures may include one or more of the following:

1. Procedural Remedies

These measures aim to restore trust, improve communication, and correct deficiencies in the handling of the matter:

Acknowledgement and recognition – formal recognition of the complainant's concern and confirmation that the issue has been understood and duly considered.

Apology – where errors, omissions, inconvenience, or inappropriate conduct have occurred without damage and evident harm.

Clarification or additional explanation – provision of supplementary information, reasons for decisions, or clarification of applicable procedures and project requirements.

Acceleration of pending action – expediting a delayed process, review, payment, or response where unjustified delays have occurred.

Improved communication arrangements – designation of focal points, enhanced notification, or more regular updates to affected stakeholders.

2. Substantive Remedies

These measures address the actual impact or harm caused by project activities or decisions:

Correction of decision or process – revision of a previous decision, adjustment of a project activity, or modification of an administrative process where justified.

Restoration or repair – remediation of physical damage, reinstatement of access, restoration of land, assets, services, or livelihoods, as applicable.

Compensation or other entitlements – provision of financial compensation or assistance in accordance with the applicable LARAP, project commitments, or relevant legal requirements.

Change in work practices – modification of construction methods, schedules, traffic arrangements, environmental controls, worker conduct, or other operational practices to prevent recurrence.

Preventive measures – implementation of additional mitigation measures, monitoring, training, supervision, or safeguards to avoid similar grievances in the future

Temporary suspension of works – where continued works may pose significant environmental, social, health, or safety risks to workers or the community, the Grievance Mechanism Coordinator may recommend temporary suspension of relevant activities to the PIO. Any decision on suspension shall be taken by the PIO in coordination with the supervising engineer and in accordance with contractual arrangements.

All agreed remedial measures shall be recorded in the grievance register, communicated clearly to the complainant, tracked to completion, and closed only once implementation has been verified or otherwise appropriately concluded.

11. COMPLAINT DATABASE AND REGISTER

11.1. Contents of the register

The register of GRM grievances must contain the following information:

Complainant information:

- Unique complaint identification number.

Complaint information:

- Date and channel of receipt,
- Description of the complaint
- Category and classification code,
- Result (justified/unjustified/unresolved),
- Remedial measures applied,
- Closing date,

11.2. Protection of personal data

Personal data protection policy applied for the Task

The following rules, applied during the implementation of this Task, are aimed at ensuring transparency, protection and security of collected personal data of parties submitting the grievances under this GRM.

Who is the personal data controller

Pursuant to Article 13(1) and (2) of the General regulation on the protection of personal data of April 27, 2016, the controller of personal data is the State Water Holding Polish Waters with its registered office in Warsaw 00-848, 59a. Żelazna St. It is responsible for the use of the data in a safe and lawful manner - in particular in accordance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC.

Contact details for the data protection officer

All questions of the parties submitting grievances concerning the manner and scope of personal data processing within the scope of SWH Polish Waters' operations, as well as the powers vested in them, are answered by the Personal Data Protection Officer at SWH Polish Waters using the address iod@wody.gov.pl

Legal basis for processing

The legal basis for the processing of personal data is Article 6(1)(e) of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC in connection with Article 3 of the Special Flood Act.

What personal data may be collected and for what purpose

Personal data is any information of a personal nature that identifies a particular person. **SWH PW RZGW in Wrocław** collects only those data which are necessary to carry out investment tasks implemented by **SWH PW RZGW in Wrocław**. Such data are processed only to the extent stated by the Submitting Party, on the basis of their voluntary consent through the relevant form, and may include:

a) identity data: full name and date of birth,
b) contact details: telephone number, registered and/or residence address, e-mail address,
c) data related to the payment of compensation for permanent occupation of property, restrictions on use: PESEL number, series and number of identity card, parents' names, bank account number.

Consent to the storage and processing of personal data is voluntary, however, its absence may make it impossible to inform the Submitting Party about how the grievance has been considered.

SWH PW RZGW in Wrocław stores only current personal data of the Submitting Party, and the Submitting Party should inform RZGW in Wrocław about any change of data.

What personal data have been obtained other than from the person concerned and from what source(s)

In order to identify the owners/perpetual usufructuaries/operators of the properties that will be subject to permanent occupation or restrictions on use, **SWH PW RZGW in Wrocław** has obtained personal data from the Register of Land and Buildings and the electronic Land and Mortgage Register system. The data obtained include:

a) identity data: full name and first names of parents (where indicated in EGIB), PESEL number (where indicated in LMR)
b) contact details: address for registration (in those cases where indicated in EGIB).

To whom personal data may be disclosed

The Submitting Party's personal data can only be disclosed to:

a) eligible public entities for the purposes of their proceedings, when **SWH PW RZGW in Wrocław** is obliged to do so on the basis of relevant regulations and documents (e.g. summons from the court, court order or other administrative or legal procedure),
b) units involved in the Task implementation
c) only to the extent necessary to carry out a specific activity,
d) postal operators, to inform the Submitting Party,
e) the Consultant's representatives and lawyers to support the implementation of the Task and for compensation payments.

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

What rights does the data subject have

Every Submitting Party is entitled:

a) to access, update and correct their personal data,
b) to delete their personal data ("right to be forgotten") or transfer them to another controller,
c) to restrict the processing of their personal data - some data may be designated as restricted to processing only in certain circumstances,

d) to lodge a complaint concerning the processing of their data by **SWH PW RZGW in Wrocław** to the competent authority supervising the processing of personal data, if PAP considers that the processing of personal data concerning them violates the provisions of the General Regulation on Personal Data Protection of April 27, 2016 (indicated above),
e) to withdraw at any time consent to the processing of their personal data by **SWH PW RZGW in Wrocław**.

Submitting Parties' data will not be subject to automated decision-making processes (profiling).

Contact to the supervisory authority to which a complaint can be lodged on matters related to privacy policy

President of the Office for the Protection of Personal Data

2. Stawki St.

00-193 Warsaw

tel. +48 22 531 03 00

fax. +48 22 531 03 01

Office hours: 8.00 a.m. – 4.00 p.m.

Helpline: 606-950-000 open on working days from: 10.00 a.m. – 1.00 p.m.

Contact at SWH PW RZGW ..... on matters related to privacy policy

At SWH PW, **Data Protection Inspector** tel: +48 22 37 20 213 e-mail: iod@wody.gov.pl

At RZGW in ……..

Period for which personal data will be stored

Personal data will be stored until the completion date of the Task and settlement of its implementation.

12 MONITORING AND REPORTING

12.1 Indicators for monitoring

The GRM system is regularly monitored using the following indicators:

- Number of registered complaints/grievances (total and by category)
- Types of grievances and recurring issues — identification of patterns and systemic problems
- Percentage of resolved complaints
- Level of satisfaction with the outcome — tracked through follow-up contact with the submitting party; cases where dissatisfaction was expressed or escalated to the GRM Committee are flagged for trend analysis
- Percentage of complaints resolved within the specified time frame
- Average resolution time (broken down by complaint type)
- Number of cases considered by the GRM Committee
- Number of notices of dissatisfaction received and percentage upheld by the GRM Committee
- Number of LEG cases under monitoring and their current status
- Number of SEA/SH grievances received — reported separately

12.2. Reporting

The GRM coordinator prepares the following reports:

Monthly report (internal):

- List of complaints received and their status.
-

13 TRAINING

13.1 Training for Project staff

Project staff — comprising PIO personnel, the Technical Support Consultant and, once selected, the Contractor and supervising Engineer — must be trained in:

- Objectives and operating principles of GRM,
- Roles and responsibilities of each team member in the grievance handling process,
- Procedures to be followed when a grievance is received,
- Zero tolerance policy for retaliation.

13.2 SEA/SH training

All Contractor personnel — including management, supervisory staff, workers, and subcontractors — are required to complete SEA/SH training before commencing works and at regular intervals throughout the construction period. Training is mandatory and attendance is tracked.

Training for all Contractor personnel covers:

- Definitions of Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH) and how they may occur in the context of civil works projects, including risks associated with labor influx and power differentials between workers and community members;
- Prohibited conduct under the Code of Conduct, including examples of SEA/SH behaviors in the workplace and in the community;

- Understanding of consent and why certain relationships — in particular between project personnel and community members or persons in vulnerable situations — are inherently unequal;
- Specific prohibitions regarding sexual activity with minors, regardless of the age of consent under national law;
- Obligations to report SEA/SH incidents and concerns through available channels, including anonymous grievances options;
- Protection from retaliation for notification in good faith;
- Available grievance channels — including the project GRM and the workers' GRM;
- Referral pathways to public support services available to survivors.

Training for managers and supervisory staff additionally covers:

- Responsibilities of management in preventing and responding to SEA/SH;
- How to receive a disclosure from a survivor in a survivor-centered manner — including active listening, non-judgmental response, and immediate referral;
- Obligations under the Code of Conduct regarding investigation and disciplinary procedures;
- How to assess whether the employer's internal process is adequate to conduct a misconduct investigation in a survivor-centered manner;
- Coordination with the GRM Coordinator in the event of a SEA/SH grievance.

Training delivery requirements:

- Training is delivered by a qualified specialist with demonstrated experience in GBV/SEA/SH awareness — not by the Contractor's internal HR without specialist support;
- Initial training is completed before commencement of works;
- Refresher training is conducted at least every 12 months and whenever significant changes to the workforce occur (e.g. large-scale recruitment);
- Training is delivered in a language understood by all participants;
- Where literacy levels are low, training is adapted accordingly — using visual materials, role plays, and group discussion rather than written materials only;
- Training records — including dates, trainer credentials, topics covered, and signed attendance lists — are maintained by the Contractor and submitted to the supervising engineer;
- The supervising engineer verifies completion of training before authorizing commencement of works and conducts spot checks during implementation.

13.3. GRM’s public disclosure

Information about the GRM — including available channels, deadlines, and submitting parties' rights — is publicly disclosed in accordance with the SEP. Disclosure activities include:

- Publication on the SWH PW website and Facebook page,
- Distribution of information leaflets at PAP information points and local authority offices,
- Announcements at public consultations,
- Updates whenever the GRM is materially revised.

Appendix 1: Complaint Form

COMPLAINT FORM **for the construction project of the ……**
Important information: Procedure is free of charge. Complaint can be filed anonymously You will not suffer any negative consequences If you provide your contact details, we will respond to your complaint.
TO BE FILLED OUT BY THE PROJECT OFFICE *Date of receipt:* *Case no.:*
Submitting party's details:
☐ I am notifying ANONYMOUSLY – do not fill in below, proceed to "CONTENT OF THE COMPLAINT"
☐ I am providing the details Name and surname: …… Address: …… Telephone: …… E-mail: …… ☐ I give consent to process my personal data to consider the complaint by the State Water Holding Polish Waters, Regional Water Management Authority in Wrocław, 34. C. K. Norwida St., 50-950 Wrocław How should we contact you? ☐ Telephone ☐ E-mail ☐ Post ☐ In person ☐ I do not expect a reply
Describe what happened and what the problem is:
Appendix: GDPR clause

13.5 Appendix V - Illustrative Sample Agreement for Temporary Land Occupation

(This sample reflects the minimum content requirements set out in this LARAF. Contractors may use their own agreement format, provided it includes, at a minimum, the elements illustrated below.)

AGREEMENT ON TEMPORARY OCCUPATION OF LAND

concluded on [date] in [place], between:

[Contractor's full legal name], with its registered office at [address], entered in the [register] under number [KRS/NIP/REGON], represented by [name, position] (hereinafter: the "**Contractor**"),

and

[Landowner's full name], [PESEL / identification details], residing at [address] (hereinafter: the "**Landowner**"),

together referred to as the "**Parties**."

§ 1 Subject of the Agreement

1. The Landowner is the owner / perpetual usufructuary of the plot designated as [cadastral number], located in [municipality/commune], with an area of [total area] hectares/m^2, as recorded in Land and Mortgage Register No. [KW number] (the "**Plot**").
2. The Landowner grants the Contractor the right to temporarily occupy and use the part of the Plot indicated in the map attached as **Appendix 1**, with an area of [X] m^2 (the "**Occupied Area**"), for the purpose of [brief description of works, e.g., site access, storage of materials, construction staging].

§ 2 Duration of Occupation

1. The Occupied Area shall be made available to the Contractor from [start date] until [end date], or until completion of the relevant works, whichever occurs first (the "**Occupation Period**").
2. Should the Contractor require an extension of the Occupation Period, this shall be agreed with the Landowner in writing, including agreement on any additional compensation.

§ 3 Compensation

1. In consideration for the temporary occupation described in § 1, the Contractor shall pay the Landowner compensation in the amount of **[amount] PLN** ☐, or shall provide compensation in kind consisting of **[description]** ☐ *(select and complete as applicable)*.
2. Compensation is calculated with reference to prevailing market rental or lease rates for land of a comparable type and location, for the duration of the Occupation Period, and covers any anticipated loss of use, crops, or income arising from the occupation.

3. Compensation shall be paid [in full upon signature / in installments as follows: ...], to the bank account indicated by the Landowner, or delivered as agreed for in-kind compensation.
4. Should the Landowner incur additional, documented losses as a direct result of the occupation beyond those anticipated in this Agreement, such losses shall be compensated separately, in accordance with the principles set out in the LARAF applicable to the Task.

§ 4 Restoration of the Land

1. Upon completion of works, the Contractor shall restore the Occupied Area to its condition prior to occupation, including [removal of temporary structures, reinstatement of topsoil, reseeding/replanting, repair of any damaged drainage or field access], within [X] days of completion of works.
2. Restoration shall be carried out under the supervision of the PIU and verified by the works supervisor prior to handover of the Occupied Area back to the Landowner. A handover protocol shall be signed by the Landowner, the Contractor, and the works supervisor confirming satisfactory restoration.

§ 5 Landowner's Rights

1. The Landowner confirms that they have been informed of the purpose, scope, and duration of the occupation, and of their right to raise questions, comments, or grievances through the Project's Grievance Redress Mechanism (GRM), the contact details of which are provided in **Appendix 2**.
2. Entering into this Agreement is voluntary. The Landowner has had the opportunity to seek independent advice prior to signing.

§ 6 Final Provisions

1. This Agreement is governed by Polish law.
2. Any disputes arising from this Agreement shall first be addressed through the GRM referred to in § 5(1); this does not limit the Landowner's right to pursue civil remedies.
3. This Agreement is made in two identical counterparts, one for each Party.
4.

Signatures: _____ (Contractor) _____ (Landowner)