

Multi-Donor Trust Fund for Justice Support in Serbia 2017 Annual Report Bank–Executed Components

January 2018

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Executive Summary

1. This annual report summarizes the main activities conducted and progress made under the World Bank–executed components of the Multi-Donor Trust Fund for Justice Sector Support in Serbia (MDTF-JSS) in 2017. This Bank-executed report should be read in conjunction with the Government of Serbia’s annual report on the Government-executed Grant of the MDTF-JSS for the same period.
2. The MDTF-JSS was established in 2009 at the request of donors and the Serbian Ministry of Justice to ‘support the strengthening of the justice sector of the Republic of Serbia in order to facilitate its integration into the European Union’. In working toward this development objective, the MDTF-JSS takes a sector-wide approach and promotes dialogue and coordination arrangements between the executive, judiciary, development partners, civil society, and academia. In 2017, the Bank-executed component of the MDTF-JSS has made progress on a range of analytic advisory reports, key reform strategies, and capacity building activities aimed at improving access to justice and efficiency in the courts.
3. The Bank team partnered with local civil society organizations to issue a series of reports for Serbian legislators to draw from in developing a strategy to improve and expand support services for victims of crime. An online interactive map of all available support services was also created to help victims obtain accurate information and receive the support they need. The Bank team provided implementation support to the second Court Rewards Program and further collaborated with several judicial institutions to improve court administration and case management across the sector, primarily by way of targeted activities aimed at improving efficiency in the courts, clearing the backlog of cases, training judicial officers, developing responsible fiscal management, and improving management systems. Additional technical assistance was provided to improve online access to information and boost transparency and outreach of the courts’ work. The MDTF-JSS also supported a series of training and capacity building activities across the sector.
4. Progress toward achievement of the project objective in 2017 was rated as Satisfactory in the World Bank “Implementation Status and Results Report.” The rating for implementation progress was upgraded from Satisfactory as Highly Satisfactory, noting the recent improvements in the performance of the project implementation unit, reflected in the 2016 increase in the grant amount, the fast pace of implementation and disbursement, and the progress being made against the Results Framework.¹

¹ Available at: <http://documents.worldbank.org/curated/en/131881498402878585/Serbia-Serbia-Justice-Sector-Support-Multi-Donor-Trust-Fund-P121377-Implementation-Status-Results-Report-Sequence-02>.

Results Framework

5. The 2017 Bank-executed annual report shows progress as measured against the new Result Framework 2016-2018, focusing on achievement against each of the three outcome indicators of the Results Framework: 1) strategies and action plans are developed and monitored effectively; 2) technical assistance raises awareness of issues and informs policy and decision-making; and 3) capacity of key personnel is strengthened through knowledge transfer.

6. The project objective of the MDTF-JSS is to ‘provide support for strengthening the justice sector of the Republic of Serbia in order to facilitate its integration to the European Union (EU)’. In working toward this development objective, the MDTF-JSS provides financial and human resources, including national, regional, and international expertise and know-how in justice system reform, governance, and operations. The MDTF-JSS uses these inputs to deliver a range of activities across Serbia’s justice sector, including: expert analyses; technical assistance; reform facilitation; training and capacity building activities; operational support; and coordination services in areas of need. Through these targeted activities, the MDTF-JSS aims to contribute to three short-to medium term outcomes. First, the MDTF strengthens the ability of the sector to develop, implement, and monitor strategies and action plans. Second, it raises awareness among policy and decision-makers of the challenges facing the justice sector and reform opportunities, and provides support to stakeholders to implement reforms. Third, it strengthens individual and institutional capacities across the sector. In turn, achievement of these outcomes contributes to the longer-term goal that Serbia’s justice system meet EU benchmarks and deliver efficient, high-quality, and accessible services to all citizens and businesses.

Component 1: World Bank–Executed Advisory Services

1. Outcome Indicator #1: Strategies and action plans are developed and monitored

8. This outcome indicator measures the justice sector’s ability to develop, implement, and monitor strategies, action plans, and related plans so that they can effectively drive sector performance. The development and monitoring of these plans is the responsibility of national authorities. As a result, the majority of activities that support the achievement of this outcome are conducted under the Government-executed Grant. See their annual report for further details.

1.1 Expanding victim support services

9. The World Bank and the MDTF-JSS have partnered with Victim Support Europe (VSE) to support the Serbian Government in its efforts to establish support services for victims of crimes in line with the EU Directive 2012/29 on establishing minimum standards on the rights, support and protection of victims of crime.² The team is supporting the development of strategies for strengthening victim support services through a number of activities, including a series of studies and consultations with key organizations.



10. In April 2017, the Bank team finalized an **assessment of the alignment of Serbia police legislation with the EU 2012/29 Victim Support Directive**, as part of its support to the implementation of the Chapter 23 Accession AP.³ The purpose of this assessment was to

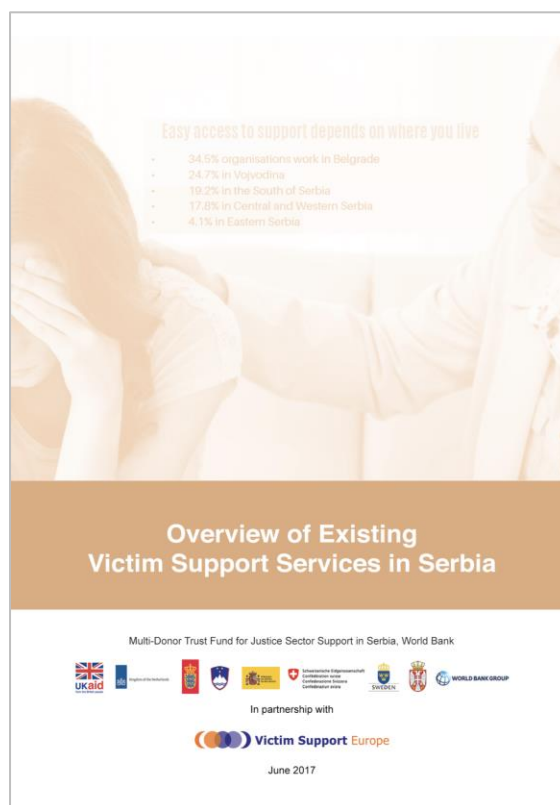
² Available at: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32012L0029>.

³ "Analysis of the Harmonization of the Regulation on Police of the Republic of Serbia Compared the Provisions Contained in the EU Directive 2012-29 on Establishing Minimum Standards on the Rights, Support and Protection of Victims of Crime" is available at: http://www.mdtfjss.org.rs/archive//file/Legal%20analysis_FINAL_%D0%95npl.pdf.

identify the extent to which the Law on Police and other relevant legislation governing police work align with the EU Directive. Serbian policymakers are using the document as a baseline tool for amendments to national legislation in the process of harmonizing Serbia's laws with the EU Acquis, especially with regard to the Law on Police, Criminal Procedure Code, and relevant bylaws.

11. The Bank team, in cooperation with VSE, prepared a detailed report in April 2017 entitled **“Analysis of Legislation, Policy Documents and Practice Guidelines Relevant to the Responsibilities of Serbian Police When Dealing with Victims of Crime,”** which provides an in-depth examination of the role of police in victim support service delivery.⁴ The report reveals the gaps and opportunities for improvement in legislative, policy, and practice guidelines in complying with the EU Directive and responding to victims' needs. The analysis provides recommendations on improvements to legislation, policy documents, and practice guidelines which can be used as a baseline for the harmonization of Serbian legislation with the EU Acquis.

12. To assist the Government of Serbia in establishing a nationwide victim support service as required by the EU Directive, the Bank team identified and analyzed the patchwork of existing services provided by state or non-state actors across Serbia to pinpoint significant gaps. In June 2017, the team issued the **“Overview of Existing Victim Support Services in Serbia,”** a national survey of more than 80 organizations that provide different types of victim support services.⁵ Key information about each service was collected, including: the available forms of support provided; the types of victims supported; how victims are informed about services and how they can obtain support; the capacity of service providers; the use of paid and volunteer staff and the kind of training they receive; and how services are financed. The report maps out all victim support services in the country and highlights key details about where Serbia lacks services for victims of all crimes, to facilitate the development of a plan to expand victim services. In particular, the report reveals that existing services are often limited in their geographical scope, with most available only in Belgrade or other urban centers, and often focused on specific victim profiles, such as women with disabilities as victims of violence,



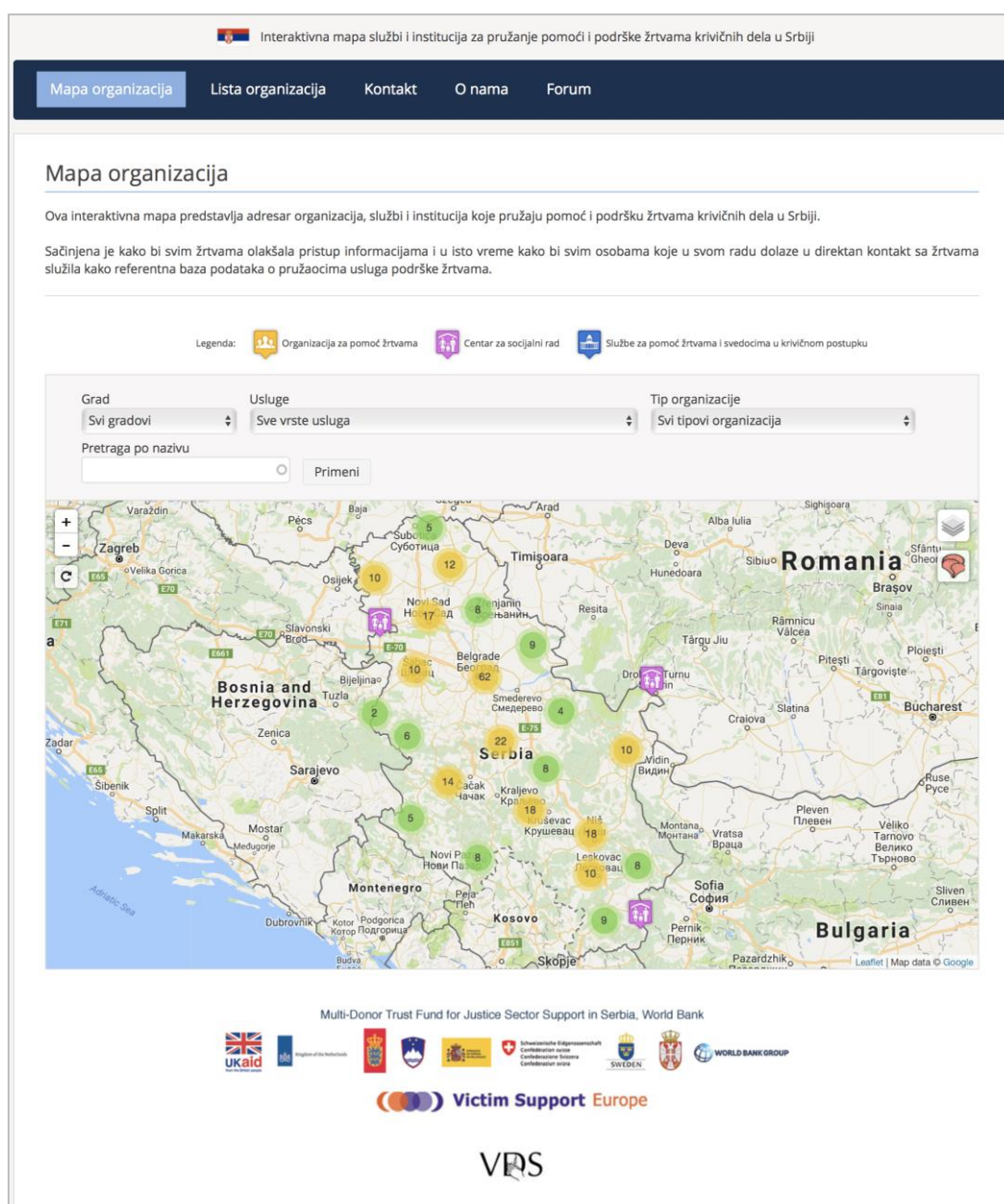
⁴ Available at: <http://documents.worldbank.org/curated/en/153491508218939115/Analysis-of-legislation-policy-documents-and-practice-guidelines-relevant-to-the-responsibilities-of-Serbian-police-when-dealing-with-victims-of-crime>.

⁵ Available at:

<http://www.mdtfjss.org.rs/archive/file/Overview%20of%20existing%20victim%20support%20services%20in%20Serbia%20-%20EN.pdf>.

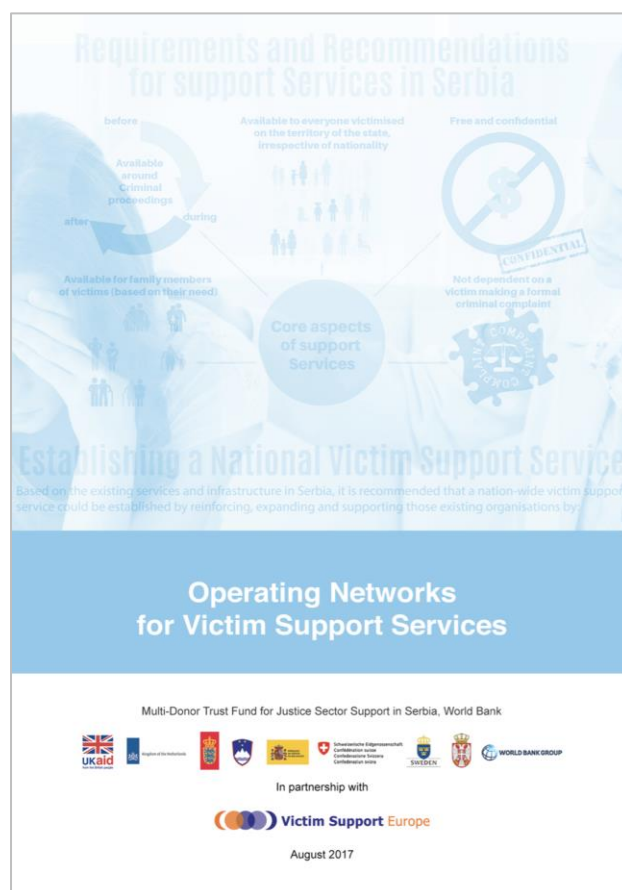
victims of gender-based violence, or victims of specific types of crimes (e.g., human trafficking).

13. The MDTF-JSS, VSE, and the Victimology Society of Serbia (*Viktimolosko Drustvo Srbije*, VDS) co-hosted a workshop on March 30, 2017 in Belgrade to present and discuss the results of the national survey and mapping exercise. Participants of the workshops were representatives of the organizations that took part in the survey, both victim support organizations (VSOs) and service providers from around Serbia. The results of the mapping activity and workshop served as a basis for the Bank team to design and develop an **interactive online map** of existing victim support services in Serbia.⁶ The interactive map is designed to help victims safely obtain accurate information and request the appropriate assistance. VDS and several other civil society organizations (CSOs) have already linked the interactive map to their website's main page.



⁶ The interactive map is available at: www.victimservices.eu.

14. Based on the recommendation made in the 2016 report on Victims' Rights and Services in Serbia that a coordinating entity be established to manage support services,⁷ Serbian stakeholders in 2017 requested an analysis of **"Operating Networks for Victim Support Services."**⁸ The report, completed in August 2017, provides a comparative review of networking arrangements for victim support services in Finland and France, which were found to be the most relevant for the Serbian context.⁹ The study examines the two European countries' networks with regard to their history, finances and governance, evaluation and monitoring requirements, service provision, and external relations. The objective of the report is to support the Serbian Government to develop a strategy to build on Serbia's existing infrastructure for the delivery of victim support services using lessons learned from the two comparator jurisdictions. Most notably, the report suggests that, given the specific situation in Serbia, the French model of support is likely the most viable. The report further builds on the 2016 report on Victims' Rights and Services and recommends that all service providers be brought together under the umbrella of a single body—whether a non-governmental organization (NGO), independent authority, or state entity. This oversight body would enable the network to build a strong partnership with the Serbian Government, ensure that there is consistency and co-ordination at a national level, and also that standards are applied nationally.



15. Following the recommendation made in the 2016 report on Victims' Rights and Services in Serbia that victim services be state funded,¹⁰ the Serbian Ministry of Justice (MoJ) requested a study exploring funding opportunities for support services. In August 2017, the team produced a report, **"Ensuring Funding for Victim Support Services,"** which aims to assist decision-makers in developing a plan for funding a national system of victim support services in Serbia without introducing additional burden on the State Budget.¹¹ The study analyzes the financing mechanisms for victim support services in Finland, France, and the

⁷ See Multi Donor Trust Fund for Justice Sector Support in Serbia (MDTF-JSS), "Analysis of Victims' Rights and Services in Serbia and their Alignment with EU Directive 2012/29/EU" (MDTF-JSS and Victim Support Europe [VSE], 2016), <http://www.mdtfjss.org.rs/archive//file/VSS%20-%20Final%20Report%20-%2008%2008%202016.pdf>.

⁸ Available at: http://www.mdtfjss.org.rs/archive//file/WB_network%20operations%20report_final.pdf.

⁹ The choice of countries was based on research conducted for the report, "Analysis of Victims' Rights and Services in Serbia and their Alignment with EU Directive 2012/29/EU," taking into consideration legal traditions and the need to use, to the largest extent possible, the existing resources and experience in the field.

¹⁰ See MDTF-JSS, "Analysis of Victims' Rights and Services in Serbia."

¹¹ Available at: http://www.mdtfjss.org.rs/archive//file/Funding%20mechanisms_Report_final.pdf.

United Kingdom (UK); all selected because their financing methods have successfully established stable funding sources for such services. On that basis, the report makes recommendations as to what mechanism could be most successful in the context of Serbia. Moreover, recognizing that scarce resources must be divided between many important priorities, the report identifies alternative sources or methods for funding that are already in place in Serbia to direct them toward victim support services.

16. The Serbian MoJ and the MDTF-JSS jointly organized a **Victim Support Services in Serbia Conference** on the importance of establishing support services for victims of crime, held in Belgrade on September 19, 2017. The team presented to stakeholders the three most recent analyses outlined above and their findings and recommendations based on best European practices adapted to the Serbian context. The team also presented the interactive map of existing victim services in Serbia and facilitated discussions on next steps to increase access to services. In addition, representatives from the three model countries (Finland, France, and the UK) presented their experiences in funding victim support services and the challenges involved in coordinating a network of support services. The conference prompted a discussion of possible methods of funding and other sources of income for a future victim support system in Serbia, as well as a mechanism for the coordination of a victim support network. The event garnered considerable media attention.¹²



17. The MDTF-JSS, in partnership with VSE and VDS, also organized a **series of roundtables** on October 26–28, 2017 in Niš, Kragujevac, and Novi Sad to discuss with key

¹² Media coverage included: *Newspaper Reporter*, “The Support for Crime Victims through the Network of Services at the National Level,” September 19, 2017, <http://www.reporter.rs/2017-09-19/blic/podrska-zrtvama-krivicnih-dela-kroz-mrezu-sluzbi-na-nacionalnom-nivou-58848544.html>; *N1 TV*, “Chapter 23 Implies Support for Crime Victims,” September 19, 2017, <http://rs.n1info.com/a319018/Vesti/Vesti/Kuburovic-Poglavlje-23-predvidja-podrsku-zrtvama-krivicnih-dela.html>; *B92.net*, “The Support for Crime Victims through the Network of Services,” September 19, 2017, http://www.b92.net/info/vesti/index.php?yyyy=2017&mm=09&dd=19&nav_category=12&nav_id=1305209; *Headlines.net*, “The Support for Crime Victims through the Network of Services,” September 19, 2017, <http://www.naslovi.net/2017-09-19/b92/podrska-zrtvama-krivicnih-dela-kroz-mrezu-sluzbi/20484432>; *Brif.rs*, “The Strategic Framework for Victim Support Soon,” September 19, 2017, <http://brif.rs/vesti/uskoro-izrada-strateskog-okvira-za-podrsku-zrtvama>; and *Danas*, “Kuburovic: Support for Protection of Victims of Crime,” September 19, 2017, http://www.danas.rs/drustvo.55.html?news_id=356905. All references are in Serbian.

stakeholders the findings and recommendations presented in the three most recent reports. Participants included judges and judicial assistants from the appeals courts, higher courts, and basic courts of Serbia, as well as prosecutors at all levels, attorneys, and representatives of the Police Directorate, Social Work Centre, and NGOs. The discussion was mainly focused on existing victim services in Serbia, and participants used the newly created interactive map as a platform for dialogue. It was confirmed that support services have mostly focused on victims of domestic violence and human trafficking, while little awareness and work is being done with regard to other forms of victimization. Participants were also interested in findings on options for funding a victim support system in Serbia, and preferred a model that sourced funds from revenue generated from deferred prosecution cases or the state lottery. Discussions during the roundtables highlighted the challenges facing the NGO sector, especially relating to the project-based nature of the work and the lack of stability and sustainability in providing support. Participants advocated that further support to the NGO sector is necessary to expand and strengthen their services. Judges and prosecutors working in the field of information services also showed an interest in additional training for increasing their capacity to effectively communicate with victims.

2. Outcome Indicator #2: Technical assistance and analyses raise awareness of issues facing the justice sector and inform policy and decision making

18. Under the Bank-executed advisory component, the MDTF-JSS contributes to the achievement of this outcome indicator by delivering justice sector stakeholders expertise, technical know-how, first-hand knowledge of international and regional examples, and targeted analyses that can inform the development and implementation of various aspects of their strategies and plans. With Task Team Leaders (TTLs) based in Washington, DC and Belgrade, the Bank offers stakeholders both subject-matter expertise and extensive data on international examples, together with knowledge about the local context, to provide “best-fit” solutions.

19. The MDTF-JSS conducts analytical work and provides technical assistance to encourage informed and evidence-based decision-making processes across the justice sector. This aspect of the Bank’s work draws on a range of tools, including legal, fiscal impact, and statistical analyses, as well as analysis of practices and implementation of legislation, and desk reviews. The analyses are followed by recommendations and options for improvement. Stakeholders are consulted on the analyses, which are disseminated to the wider public to raise awareness and inform policies to boost justice system performance.

2.1 Incentivizing improved court performance

20. During 2017, the Bank team worked closely with the Supreme Court of Cassation (SCC) to scale up the second round of the **Court Rewards Program**, which aims to incentivize first instance courts to improve efficiency and productivity in case processing. The Rewards Program has been formally endorsed and included in the SCC’s Court Book of Rules and well received within the judiciary as a tool to promote positive competition, putting Serbia at the forefront of innovation among European judiciaries in incentivizing court performance. Now that the Rewards Program is embedded into SCC practice, the Bank’s role is primarily to offer

guidance on the design and rollout of the program, including the categories of awards, selection criteria for issuance, and ways to ensure integrity and credibility of the process, including by reviewing the performance data together with the SCC, based on best available knowledge from the implementation of reward programs around the world. The Bank also finances the external communications elements of the Court Rewards Program, as well as translation and interpretation, to ensure maximum reach and visibility of the process to court users and the general public.¹³



21. At the Annual Conference of Judges held in Vrnjačka Banja on October 4–7, 2017, the second round of court rewards was issued and received national media attention. In this second year, the number of award categories remained the same but the number of award recipients increased.¹⁴ As in the inaugural year, the SCC issued two categories of awards: the largest improvement in backlog reduction per judge and the largest improvement in the number of resolved cases per judge. Award recipients in these two categories received non-monetary prizes in the form of goods and services with a value of €5,000 for first-prize winners, €3,000 for second prize, and €2,000 for third prize. In addition, this year for the first time, the SCC introduced honorable mention rewards for courts that introduced innovations into their work.¹⁵ Between June 1 and September 1, 2017, more than 30 courts nominated themselves for the innovation award, pointing to the various internal procedures and

¹³ The Government-executed component of the MDTF-JSS otherwise funds implementation of the Program, which includes financing the awards ceremony, trophies, and plaques, and procuring the prizes for the winners. See the Recipient Executed annual report for further details.

¹⁴ The full list of all courts recognized, as well as supporting documents (SCC decision, comparative charts and tables) can be found at (in Serbian):

<http://www.vk.sud.rs/sr/%D0%B4%D0%BE%D0%B4%D0%B5%D1%99%D0%B5%D0%BD%D0%B5-%D0%BD%D0%B0%D0%B3%D1%80%D0%B0%D0%B4%D0%B5-%D0%B8-%D0%BF%D1%80%D0%B8%D0%B7%D0%BD%D0%B0%D1%9A%D0%B0-%D1%81%D1%83%D0%B4%D0%BE%D0%B2%D0%B8%D0%BC%D0%B0-0>

¹⁵ For information, see MDTF-JSS, “Court Rewards Program-2017,”

http://www.mdtfjss.org.rs/en/mdtf_activities/2017/court-rewards-program-2017#.Wgx2GxNSxTZ.

activities that had increased efficiency and service quality in their courts. The SCC rewarded 15 first instance courts with recognition awards.

22. This year's performance results suggest that the Reward Program is fulfilling its goal of motivating courts to improve case-processing efficiency and productivity.¹⁶ But while courts are recognized with awards, the ultimate beneficiaries of improved court performance are Serbian citizens and businesses who need fast and fair justice when they come to court to resolve disputes or enforce their rights.

2.2 Improving resource management of the prosecution system

23. The Bank team, jointly with the State Prosecutorial Council (SPC), is conducting a **Functional Review of Prosecution Service in Serbia**. Collecting information on prosecutorial duties, case resolution mechanisms, and procedural requirements is important to protect transparency, defend budget requests, identify and resolve problems, and track the effects of reforms. The Prosecution Functional Review analyzes various efficiency metrics, including clearance and disposal rates, pending caseloads, as well as how many, which, and in what manner different case types are processed and disposed. Performance is also evaluated in a number of other ways, such as ease of access to courts, judicial transparency, and quality of the appeal system. The relevant data were obtained from statistics maintained by prosecutor's offices and also from surveys, interviews, and detailed analyses of a sample of public prosecutor's offices (PPOs). Where relevant, available comparative statistics collected by the European Commission for the Efficiency of Justice (CEPEJ) for 46 European countries were used as a means to determine how well Serbian prosecutors are performing compared to others in Europe. Preliminary findings were presented at a workshop in May 2017 and a second presentation was made to the SPC in December 2017. The Bank team plans to finalize the Review in the first quarter of 2018 using input received at the presentations, and then present findings and recommendations to a wider audience. The SPC can use the Functional Review for the management of resources within the system, including financial resources, human resources, infrastructure, and information and communications technology (ICT). The SPC will consider recommendations formulated in the Prosecution Functional Review and work on their implementation by the end of 2020.



¹⁶ This year's leading court in both case resolution and backlog reduction was the Belgrade Commercial Court (BCC). The BCC resolved 467 more cases than it did last year, with a total of 5,666 new cases solved in 2017 compared to 5,199 in 2016—almost a 9 percent increase. The BCC also reduced its backlog by 542 more cases than last year, with the number of backlogged cases decreasing by 2,888 in 2017 compared to 2,346 in 2016—more than a 23 percent increase.

24. The Bank team, together with the SPC, issued an **“Analysis of Arrears of Public Prosecutors Offices in Serbia”**¹⁷ in March 2017 as a follow-up to the 2016 budget report which identified a pressing need for detailed analysis of PPO arrears.¹⁸ The accumulation of arrears is a growing source of concern because it negatively impacts service delivery and leads to inefficient resource allocation, including the payment of interest and associated fees in the process of enforced collections which often exceed the original debt. Arrears accumulation also creates inherent vulnerabilities to corruption and undermines transparency and integrity in financial management. The Arrears Analysis aims to advance better arrears management, which provides opportunities to identify cost savings, improve transparency, and make the judicial sector more efficient overall. The main purpose of the report is to provide insight into how arrears are accumulated and why PPOs have varying levels of arrears by analyzing the arrears in a sample of five PPOs in Serbia. More specifically, the study looks at the investigation (i.e. mandatory representation and expert witness services) and postal service related expenditures as the main sources of arrears. Recommendations are formulated to assist the SPC to increase transparency in the management of arrears, improve financial management through strengthened internal financial control and more reliable accounting records, and most importantly enhance its budget planning process. The main findings and recommendations were presented on March 2, 2017 to the members of the SPC and to representatives of the Republic Public Prosecutor’s Office (RPPO), the SPC secretariat, and the budget staff of select PPOs. The Analysis enabled the SPC to identify cost savings and successfully argue for a greater budget allocation in the 2017 budget. In the 2017 budget, the appropriation for investigation-related expenses (i.e., the primary source of arrears) was increased by more than 60 percent in Higher Prosecutor’s Offices (HPOs) and by 42 percent in Basic Prosecutor’s Offices (BPOs). The budget allocation is currently at 353 million RSD in HPOs, compared to 215 million RSD in both 2016 and 2015. In BPOs, the appropriation amount is now 374 million RSD while it was 261 million RSD in 2016 and 246 million RSD in 2015.

2.3 Scaling up performance management activities with the High Judicial Council

25. The Bank team values experimentation and adaptation, drawing substantially from the “problem-driven iterative approach” (PDIA) to development and applying it in a sector-wide context. This allows the team to start a new activity in coordination with another agency, learn lessons quickly, and then apply what works to scale up support to other agencies and across the sector. This approach also encourages positive competition between agencies, as when one agency starts to make progress, others can see the benefit and request similar support. The following collaborations between the Bank team and the High Judicial Council (HJC) provide valuable examples of how institutional strengthening activities

¹⁷ Available at: <http://www.mdtfjss.org.rs/archive//file/ProsecutorsArrears%20-%20EN.pdf>.

¹⁸ MDTF-JSS, “Analysis on Budget Estimates for the Operation of the State Prosecutorial Council and Public Prosecutors Offices” (Washington, DC: MDTF-JSS, 2016), http://www.mdtfjss.org.rs/en/mdtf_activities/2016/analysis-on-budget-estimates-for-the-operation-of-the-state-prosecutorial-council-and-public-prosecutor-offices#.Wg4eNRNSxTY.

originally developed with the SPC are being replicated and scaled up in different contexts.



26. In 2017, the Bank team conducted a **training needs assessment (TNA)** of the HJC administrative office staff and made training recommendations. The review applied a similar methodology to the training needs analysis conducted by the MDTF-JSS and SPC in 2016: analyzing the existing skills, training needs, delivery options/providers, and training plans for all HJC staff. The review was finalized in December 2017 and will serve as a basis for updating the HJC’s internal training program.

27. The Bank team is conducting an **“Analysis of Court Arrears”** at the request of the HJC, similar to the Analysis of Arrears of PPOs conducted by the MDTF-JSS and SPC in early 2017 outlined above. Accumulation of arrears creates significant problems in the courts as it leads to inefficient resource allocation, causes delays and adjournments in the scheduling of hearing, and creates vulnerabilities to corruption. In an effort to reduce court arrears in Serbia, the analysis aims to provide better insight into how arrears are accumulated by courts and how this could be better managed. The study examines the two largest sources of arrears accumulation (investigation and postal service related expenditures) in a sample of five Basic Courts and five Higher Courts across Serbia. The report will include recommendations for better arrears management, which is expected to increase transparency, protect integrity, and boost the financial and overall performance of Serbian courts. The Bank and HJC expect to finalize the Arrears Analysis in the first quarter of 2018.

2.4 Expediting small claims procedures

28. Based on the Bank’s analytic work under a related regional program,¹⁹ the Serbian MoJ has expressed interest in the report’s findings and in exploring options for **fast-tracking small claims procedure** to increase access and efficiency. Accordingly, the MoJ has

¹⁹ The Bank, in partnership with the Balkan Rule of Law Initiative of the Kingdom of the Netherlands, supports justice policy dialogue in the Western Balkans through a series of targeted analytic reports on common justice challenges through an External Funded Operation (EFO). In the first half of 2017, the Bank team conducted a comparative analysis of small claims procedures in the 28 EU Member States. The report is based on research that examines and triangulates the legal aspects of small claims procedures with macroeconomic data, and societal attitudes towards small claims as reflected in Eurobarometer studies. The report was translated into Serbian, Croatian, Macedonian, Albanian, Romanian, and Bulgarian, printed, and shared in hard and soft copy to more than 100 senior policymakers across the Western Balkans and EU11.

requested that the Bank build on the existing reports and develop an in-depth exploration of several well-functioning small claims procedures in Europe, coupled with an analysis of Serbia's current fast-track procedure. The follow-up work will be funded by the MDTF-JSS and could be the basis for Serbia to improve and expedite its small claims procedure. In consultation with local and international experts, the team has identified the best-fit comparator jurisdictions for Serbia—Austria, Denmark, Estonia, Germany, Latvia, and Slovenia. The Bank is now in the process of engaging country rapporteurs, translating relevant legal provisions relating to small claims, and conducting the analysis on the practices that work best for those countries and the ways they navigated the reform process.

2.5 Increasing access to justice

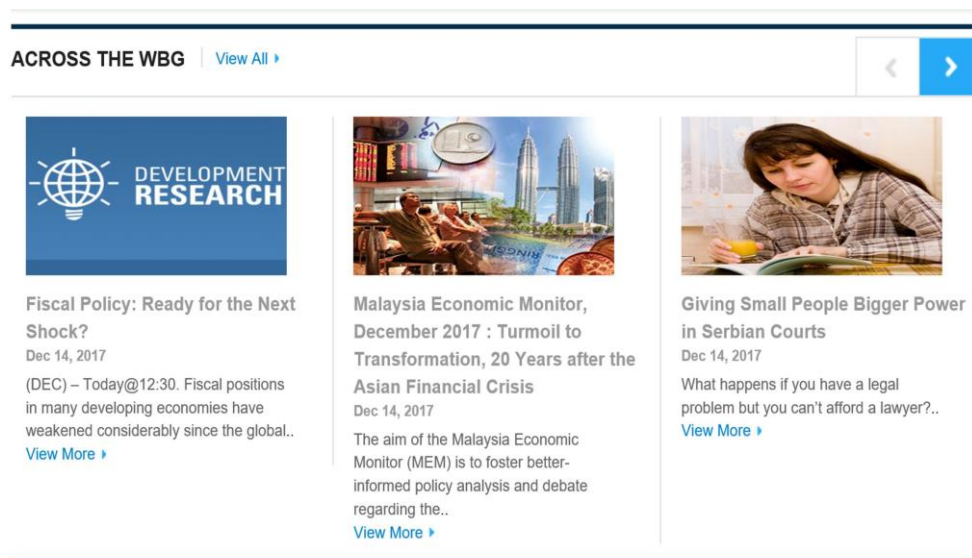
29. The Bank team partnered with CSO Lawyers' Committee for Human Rights (YUCOM) to prepare a range of activities to improve access to justice through the use of lay formats and guides. A first guide, **"Self-Advocacy Guide for Citizens,"** was published in July 2017, but has not yet been translated to English. The self-representation guide aims to address the fact that affordability is the biggest barrier to access to justice, as revealed in the earlier MDTF-JSS Serbian Judicial Functional Review. The lay guide is meant to educate citizens on their rights and obligations when in court or dealing with government bodies, with the overall objective to improve access to justice with lower costs for both citizens and the justice system through more efficient self-advocacy. Law students and others may also use this guide to better understand parties' rights and obligations in Serbia.



30. A second Guide, **"First Time in Court or at a Courthouse,"**²⁰ was finalized in October 2017 and translated to Bulgarian, Romanian, Hungarian, and Serbian. Navigating the court system is challenging for ordinary citizens, and efficiency in the courts improves when court users come better prepared. With that in mind, this guide offers practical information on the basic features of law and procedure in a lay format to empower potential court users to exercise their rights and resolve their disputes. The Bank has already posted a blog jointly with YUCOM about the First Time guide on the World Bank website that has reached over 20,000 people.²¹ Next, the Bank is partnering with YUCOM to launch a large-scale nationwide dissemination campaign for the guide, starting January 2018. The guide will be advertised and promoted on a number of platforms, including newspapers, billboards, public transit, and social network, and the Bank will prepare promotional posters and flyers summarizing the most relevant information from the guide. The First Time guide will also be delivered to key justice sector players, including judges, court staff, municipal legal aid (MLA) offices, and CSOs dealing with legal aid.

²⁰ Available at: <http://www.mdftjss.org.rs/archive//file/guide-first-time-at-court/A%20Guide%20-%20First%20Time%20in%20Court%20or%20at%20a%20Courthouse%20-%20EN.pdf>.

²¹ Available at: <http://blogs.worldbank.org/europeandcentralasia/giving-small-people-bigger-power-serbian-courts>.



31. Also relating to access to justice, the Bank is supporting the finalization and dissemination of two reports on LGBTI discrimination in Serbia. The elimination of discrimination against LGBTI people is an important element of the Chapter 23 Accession AP. The reports examine discrimination in access to services through a mystery shopping experiment and the socio-economic outcomes of LGBTI people vis-à-vis the general population in Serbia. The work was implemented in partnership with IPSOS Serbia, the Williams Institute, and the Equal Rights Association for Western Balkans (ERA). From 2015 to 2017, this work was funded through other sources under a project that will soon close. From mid-2017 onwards, the MDTF-JSS has assisted in the finalization and dissemination of the reports to increase awareness of these issues among key stakeholders.

2.6 Improving court budgeting

32. The Bank is conducting a **comparative court budget analysis** of different approaches to, and experiences with, court budgeting in several Europe and Central Asia (ECA) countries and states that have more established judicial-led court systems. The jurisdictions chosen reflect a diversity of court types that represent the transition process from newly emerging democracies (Armenia, Kyrgyz Republic), an EU candidate (Serbia) and relatively recent entrant to the EU (Slovenia), compared with two court systems (the Netherlands and New Jersey) that are widely considered models of judicial management. The case study examines three key budgeting dimensions that can impact court systems: accountability for fiscal management; independence of the judiciary; and the stability and predictability of funding. Finally, the analysis provides a practical knowledge resource, including best practices and lessons learned, for those envisioning improvement initiatives in court budgeting to advance a more effective, efficient, and responsive judiciary. The budgeting analysis is expected to be finalized in 2018.

2.7 Strengthening the budget preparation process

33. The Bank is supporting the development of **budget preparation and management information system (BPMIS)** to enable more efficient budget preparation and in-year monitoring of the budget performance of judicial institutions. Currently, budget preparation and monitoring in the SPC is done through an Excel spreadsheet exchange, while the HJC is

using a BPMIS tool that is poorly maintained, inflexible, and incompatible with the BPMIS used by the Ministry of Finance (MoF) in preparation of the State Budget. The future system will support court and prosecutorial budget preparation by facilitating communication between the HJC and SPC and their subordinate budget users (i.e., courts and prosecutor's offices). The project's objective is to reduce the operational risks induced by this practice, provide a solution that will be fully integrated into an existing BPMIS that manages budget preparation on a central government level, and offer features that will enable the HJC and SPC to improve their analytical focus in the process. The Bank team is working with the SPC and HJC to define functional and technical specifications for the system and will monitor implementation of the project. The system is then expected to be delivered under the Government-executed grant in 2018.

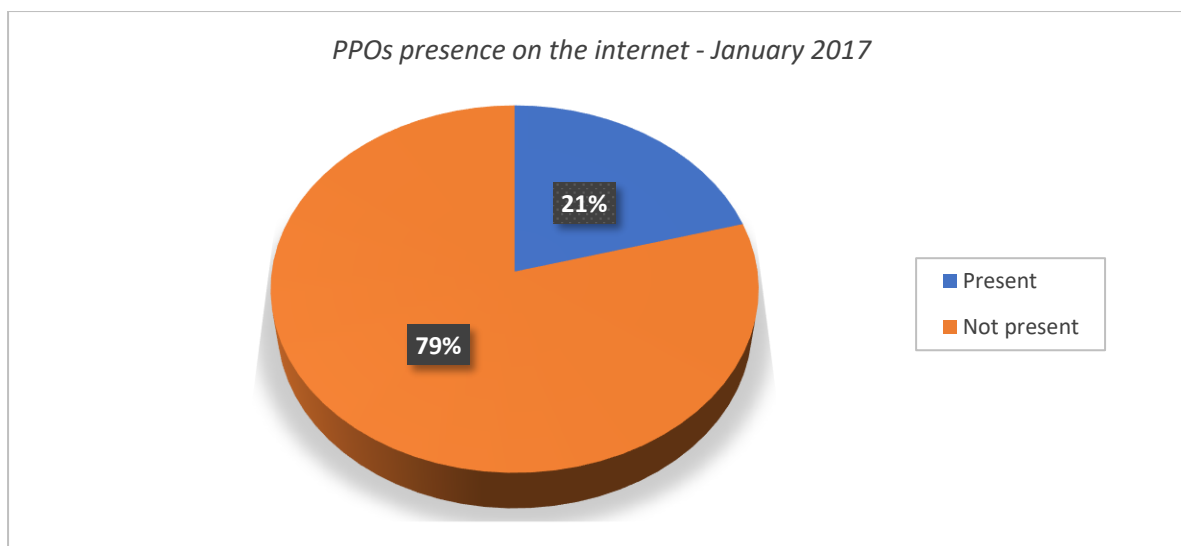
2.8 Improving human resource management

34. The Bank is supporting the procurement of an **integrated human resource management information system (HRMIS)** for the HJC and SPC. Human resources are a key asset but overwhelmingly the single largest expense of the judiciary, and their efficiency and productivity depends heavily on the effectiveness of human resource management. But personnel tracking has long been challenging for prosecutor's offices in Serbia, partly because HRM responsibilities for staff categories (prosecutors and prosecution staff) and individual human resources functions are divided between different authorities. Lack of an automated personnel tracking systems further hinders productivity. The purpose of developing a HRMIS is to create a strategic approach to HRM that is linked to the judicial branch's organizational strategy and is focused on providing services to court users in an efficient manner. The system is designed to be used in planning and mapping overall resource needs in the prosecution system, and encompasses the needs of all authorities with HR responsibilities. The Bank team, together with the project implementation unit (PIU) and the HJC and SPC, are canvassing options and developing terms of reference (TOR) with technical specifications. The system is then expected to be delivered under the Government-executed grant in 2018.

2.9 Increasing online transparency in prosecution services

35. Through 2017, the Bank team has been working with the SPC to increase access to information about the work of prosecution services through greater online transparency via PPO websites. The MDTF-JSS document "**Analysis of Prosecutor's Office Web Sites in the Republic of Serbia**"²² examines all aspects related to the PPOs' presence on the Internet, including: how many offices have active websites; the quality, relevance, and usefulness of those sites; where the websites are hosted; who is responsible for content management; and compatibility with mobile platforms. The analysis demonstrates that a significant number of PPOs (84 percent) do not have a website at all; moreover, lack of coordination in the development of the websites that do exist has resulted in differences in their content, structure, and design quality.

²² Available at: http://www.mdtfjss.org.rs/en/mdtf_activities/2017/analysis-of-public-prosecutor-s-office-web-sites-in-the-republic-of-serbia#.WiRoArQ-dE4.



36. The Website Analysis served as a basis for developing a **unified model for PPO websites**. In an effort to ensure a unified approach and regular update of the content, the MDTF-JSS supported a website development process for all basic, appellate, and higher court PPOs—87 in total. The MDTF-JSS financed a unique multi-site platform development: a central data management and development structure for all of Serbia’s PPO websites. The process includes: a multi-site system production service; single website visual identity design and template production; system setup, environment setup, and system procedure development; technical documentation and user manual production; and training for system usage, management, development, and maintenance. Following a successful tender process in October 2017, the production process has begun and the new websites are expected to go live in mid-2018.

2.10 Boosting outreach of the Supreme Court of Cassation

37. To highlight the SCC’s results and enable international partners to track SCC progress, the MDTF-JSS funded the translation and printing of the SCC Semi-Annual Report on the Work of Courts,²³ which was based on the model developed with the MDTF-JSS in 2016. This new report highlights on key performance areas in a simplified layout that draws on international best practice in court annual reporting.

3. Outcome Indicator #3: Capacity of key personnel is strengthened through knowledge transfer

38. Trainings and workshops aim to strengthen the capacity of judges, prosecutors, and judicial staff. Many activities are designed as peer exchanges and efforts to promote the unification of work and practice in courts and PPOs. The majority of these activities are implemented under the Government-executed component of the MDTF-JSS and are presented in its separate annual report. In a few instances, the Bank-executed advisory component has supported capacity strengthening activities, as outlined below.

²³ Available at: http://www.vk.sud.rs/sites/default/files/attachments/6-month%20Report%20on%20the%20Work%20of%20Courts%202017_0.pdf.



3.1 Increasing capacities of the Commercial Courts

39. The MDTF-JSS, together with the IFC, is implementing a range of capacity building activities relating to Commercial Courts, including periodic counseling of commercial judges, the Annual Conference of Commercial Judges, and the publication of the book on Serbian Bankruptcy Law.

40. The **Annual Conference of Commercial Judges** was held in Zlatibor in September 2017, with close to 200 participants representing commercial courts, the SCC, the HJC, and the Association of Lawyers of Serbia attending. The Conference tackled the most disputable issues under the jurisdiction of Commercial Courts raised by judges, banks, companies, insurance companies, and other legal entities during the past year. Breakout sessions allowed participants to separately discuss selected key topics relating to commercial justice in Serbia: law on enforcement and security; bankruptcy law and economic offences; substantive law; and civil procedural law. Conclusions will be published by the Commercial Appellate Court and will serve as guidelines for the Commercial Courts and their future procedural approach.

41. The latest counseling workshop with commercial judges was held in Vrsac in April 2017 and focused on **“Implementation of the Law on protection of trial within reasonable time in bankruptcy proceedings.”** Judges of the Constitutional Court took part in the discussion to better understand the concept of trial within a reasonable time. Moreover, the workshop served as a platform to tackle issues in bankruptcy cases relating to complaints of violations of the right to trial in a reasonable time.

42. In addition, the **Handbook on Serbian Bankruptcy Law** was published in 2017 together with the IFC. This seminal text, spanning over 1000 pages, was prepared by Law professor Vuk Radovic and addresses all aspects of bankruptcy law, including: basic concepts; bankruptcy proceedings; legal effects of the opening of bankruptcy proceedings; contestation of debtor's legal actions; restructuring; international bankruptcy; and affiliated debtor's bankruptcy. Three hundred copies were printed, all of which have been disseminated to bankruptcy judges, bankruptcy administrators, and other professionals who deal with bankruptcy law as well as members of the broader academic community and Master and PhD students of the Faculty of Law, University of Belgrade.

3.2 Promoting prosecutorial accountability

43. The MDTF-JSS supported the **Third Global Forum for Associations of Prosecutors**, held in Belgrade on May 25–28, 2017.²⁴ The goal of the Forum was to identify how these related organizations can together contribute most effectively to strengthening prosecutorial accountability in Serbia and implementing ethical standards in the prosecutor profession, which is directly related to the Chapter 23 Accession AP of increasing judicial accountability. The Forum gathered over 100 representatives of prosecutors' associations from Austria, Brazil, Canada, Denmark, Hungary, Ireland, Italy, the Netherlands, Portugal, Bosnia and Herzegovina, Poland, and Serbia to give prosecutors the opportunity to learn about the numerous challenges in the implementation of prosecutorial ethical standards. The two-day conference also served as an opportunity to enhance the ongoing process of law and justice reform in Serbia through a comprehensive exchange of information and sharing of good practices. Bank experts led panel sessions on financial accountability, resource management politics, and strategic planning, and made presentations aimed at raising awareness among prosecutors on the importance of resource management politics and strategic planning. The Forum achieved widespread professional consensus on the need for prosecutor accountability that should be explicitly defined in the model principles of the profession.



3.3 Training the judiciary on digital signing

44. The MDTF-JSS supported a **one-day course on digital signing of official documents** for ICT staff among the courts of general and special jurisdiction. The course was hosted by the MoJ and took place on December 22, 2017 at the Basic court in Paracin. Plans for legislation changes in Serbia are oriented toward full implementation of electronic documents instead of paper documents. As per the new Law on Electronic Communications,²⁵ Draft Law on Electronic Government, and planned law on cadastre, there is now an obligation to use digital signatures in official decisions and documents. The course covered the installation of necessary hardware and software components, setting up applications, and digital signing of documents.

²⁴ Available at: http://www.mdftjss.org.rs/en/mdtf_activities/2017/3rd-global-forum-for-associations-of-prosecutors-belgrade-may-25-28#.Wg81wrT81TY.

²⁵ Available at: <http://www.ratel.rs/upload/documents/Zakon/Electronic%20Communications%20Law.pdf>.

Component 2: Supervision of the Government-executed Grant

45. Unlike most donor projects in Serbia, the MDTF-JSS finances the Serbian Government directly to implement activities, facilitate reforms, and monitor progress. This arrangement maximizes stakeholder ownership, encourages inter-agency coordination, and builds State capacity. However, this requires firm supervision and oversight to ensure full fiduciary compliance and value for money to the financing donors. This supervision service is provided by the Bank through the Supervision Component of the MDTF-JSS.

46. In 2017, the Bank continued to carry out its supervisory and fiduciary functions as trustee for the hybrid trust fund. Under Component 2, the Bank supports and supervises the 4.7 million USD Government-executed Grant, including oversight of all procurement and financial functions. The Bank reviewed all requests for activities financed under the Grant and issued no objections. The latest audit reports for the Grant again offered clean opinions, records were maintained and Bank policies and procedures complied with.

Component 3: Trust Fund Administration and Management

47. Under Component 3, the Bank is also responsible for the administration and management of the parent trust fund and the four child trust funds.

48. Periodic Management Committee meetings provide an opportunity for stakeholders, both national authorities and international partners, to receive updates on MDTF-JSS progress, discuss policy challenges and opportunities, and provide feedback and suggestions on next steps. These meetings, coupled with ongoing informal dialogue, help to coordinate the preferences and administrative arrangements of stakeholders to ensure that the project meets the needs of the many different interests involved. Management Committee meetings contain a standing agenda item at which donors and beneficiaries are asked to provide feedback or suggestions that feed into the continual improvement of the MDTF-JSS as a flexible and responsive vehicle for the delivery of justice sector support.

49. To promote transparency and information exchange, the Bank continuously updates the MDTF-JSS website with information on project activities, data, links to blogs, and other resources, including aide memoires, annual reports, and audit letters.

50. Based on donor feedback, the Bank team now sends periodic emails that share the website updates to the MDTF-JSS Management Committee distribution list. This helps stakeholders to keep track of the range of activities and implementation progress, while also

increasing donor convenience and visibility of MDTF-JSS activities. The most recent newsletter was disseminated via email in October 2017.²⁶

51. Along with regular audits of the Grant, the MDTF-JSS and all its child funds were subject to an additional extensive audit procedure in 2017 as part of the European Commission Residual Error Rate Study (EC RER). The EC RER is a full process audit, under which each audit sample requires evidence of compliance with all financial, procurement, disbursement, administrative, and related policies. The RER selected approximately 30 such samples from across the child funds of the MDTF-JSS. All processes were confirmed and the audit has been closed with no outstanding items. As this is a type of due diligence rather than a financial audit, an audit report with a clean opinion is not issued. Instead, the EU and their auditors will share their error rate summary before the results of the RER Study are submitted to the EU Parliament for information.

Looking Forward: 2018 Priorities

52. As discussed during the September 2017 Management Committee meeting, the Bank-executed component of the MDTF-JSS will prioritize the following activities through 2018.

1. Efficiency of justice

53. In the area of increasing efficiency of justice, the MDTF-JSS will continue to support the SCC Court Awards Programs to further incentivize case-processing efficiency and productivity. At the request of the RPPO, the team will provide support to design and develop a similar awards program for prosecutors beginning 2018. The team will also maintain its support for the SCC's Backlog Reduction Program and will carry out an analysis to determine the cause of the 30 percent increase in cases before the higher courts since 2016.

54. The MDTF-JSS will continue to support the HJC and SPC as well in their efforts to further align their budget preparation processes with that of the MoF. It will further support the SPC in strengthening strategic human resources management in the justice sector, mapping the SPC's business practices, and promoting effective resource utilizations, mainly through arrears analyses. Additional support will be offered through the targeted purchase of critically needed equipment across the sector.

2. Quality of justice

55. In the area of improving quality of justice, the MDTF-JSS will provide additional sector-wide training to increase the capacity of justice sector key personnel, as well as TNAs and training delivery for the SPC and HJC. The Bank team, in collaboration with the MoJ, SCC, and SPC, will also conduct a follow-up Judicial Functional Review, which will entail engaging in additional

²⁶ The October MDTF-JSS 2017 Newsletter is available at: http://www.mdtfjss.org.rs/newsletter/newsletter-template_v3.html. The May/July 2017 MDTF-JSS Newsletter is available at: http://www.mdtfjss.org.rs/newsletter/newsletter-template_v2.html.

interviews to deepen stakeholder input to help advance Serbia's Chapter 23 Accession AP and conducting a follow-up multi-stakeholder survey on perceptions of justice in Serbia.

56. The MDTF-JSS will continue to provide targeted technical assistance to Commercial Courts to support their goals of better case law harmonization, improved registry functioning and ICT, and strengthened training programs. The team will also provide technical assistance to the MoJ and SCC in their endeavors relating to access to justice, human rights, constitutional changes, civil law, outreach and communication, case law harmonization, court statistics, and ICT.

3. Access to justice

57. In the area of increasing access to justice, support for the establishment of victim support services will remain a priority, especially by means of conducting a Fiscal Impact Analysis (FIA), facilitating dialogue between key players, and carrying out a variety of awareness-raising campaigns. Support to the MoJ in its efforts to promote efficient management of small claims will continue as well. The MDTF-JSS will also continue to partner with CSOs with the aim of promoting improved access to legal information and will continuously update the fund's website.

58. The MDTF-JSS will further maintain its support for improving the transparency of prosecution services. The Bank team will partner with the HJC and SPC on a range of initiatives to boost transparency and outreach of their work. The MDTF-JSS team has offered to provide technical assistance to improve the quality of annual reporting processes and the layout and outreach of reports throughout the Serbian judiciary. The team will use a methodology similar to the transparency and outreach work the MDTF-JSS conducted with the SCC in late 2016: developing a new template and tables for annual reporting and highlighting key performance areas in a simplified and user-friendly layout that draws on international best practice in court annual reporting.

4. Extension request

59. Noting that the MDTF-JSS is due to expire on December 31, 2018, the heads of the MoJ,²⁷ SCC,²⁸ RPPO, and SPC²⁹ have formally requested that the project continue with additional financing. The request for the extension is based on the need for further support to the development and implementation of Serbia's updated Chapter 23 Accession AP. Since the process takes approximately six months, consultations will begin in early 2018 to ensure clarity and provide adequate time to plan and facilitate any extension and additional financing.

²⁷ See <http://www.mdtfjss.org.rs/archive//file/Letter%20from%20MoJ%20-%20Sep%2025%2C%202017.pdf>.

²⁸ See <http://www.mdtfjss.org.rs/archive//file/Request%20from%20SCC%20-%20Nov%207%2C%202017.pdf>.

²⁹ See <http://www.mdtfjss.org.rs/archive//file/Request%20for%20MDTF-JSS%20Extension.pdf>.