



# World Bank Multi-Donor Trust Fund for Justice Sector Support in Serbia

## Serbia Judicial Functional Review

### Status Update



# Purpose of our Meeting

- Update on where we're at in the Functional Review process
- Share some of the main issues we're identifying through the process
- Seek your views on these 'main issues'
  - Are these the main issues?
  - What do you think about them?
  - Are we missing something important?
- Outline next steps for completion of the Functional Review

# Where are we at in the FR process?

- Data collection
  - Most data collected – thanks to institutions
  - Some inconsistencies & gaps identified
  - Some follow ups needed
- Survey work
  - Multi-stakeholder survey (6030 respondents)
  - Access to Justice survey & focus group discussions
- Field visits
  - More than 20 field visits conducted
  - 3 more field visit scheduled for May 2014
- Interviews
  - More than 100 people met in interviews
  - A few more interviews in May 2014
- Workshops / Forums
  - 11 workshops held
  - Further workshops in May, June 2014

# FR Report: Draft Contents Page

- Executive Summary
- Performance Framework
  - Indicators
  - EU standards
  - Data sources
- Performance Assessment
  - Demand for justice services
  - Efficiency in the delivery of justice services
  - Quality of justice services
  - Access to justice services
- Analysis of the Functioning of the System
  - System governance
  - Management & coordination
  - Resource analysis: finance; HR, ICT; Infrastructure
- Recommendations
- Risk Management
- Annexes
  - Background info, data, desk review, tables etc.

# Performance Framework

- Performance (outputs and services)
  - Indicators: Efficiency; Quality; Access
  - Setting indicators against EU standards
- Resources (what goes into producing services)
  - Management & coordination
  - Finance, HR, ICT, Infrastructure
  - Setting indicators against European standards

Challenge: EU standards are not always readily identifiable. And where they are, they're not always precise and quantifiable.

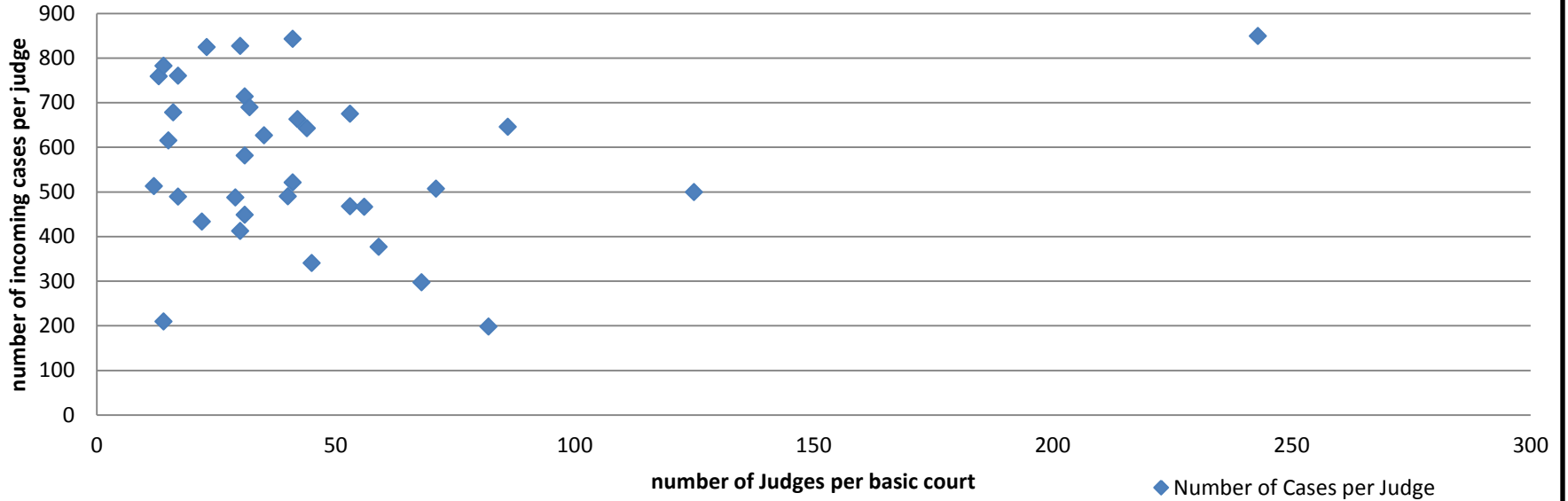
# **Performance Assessment**

What's the current picture in terms of efficiency, quality and access?

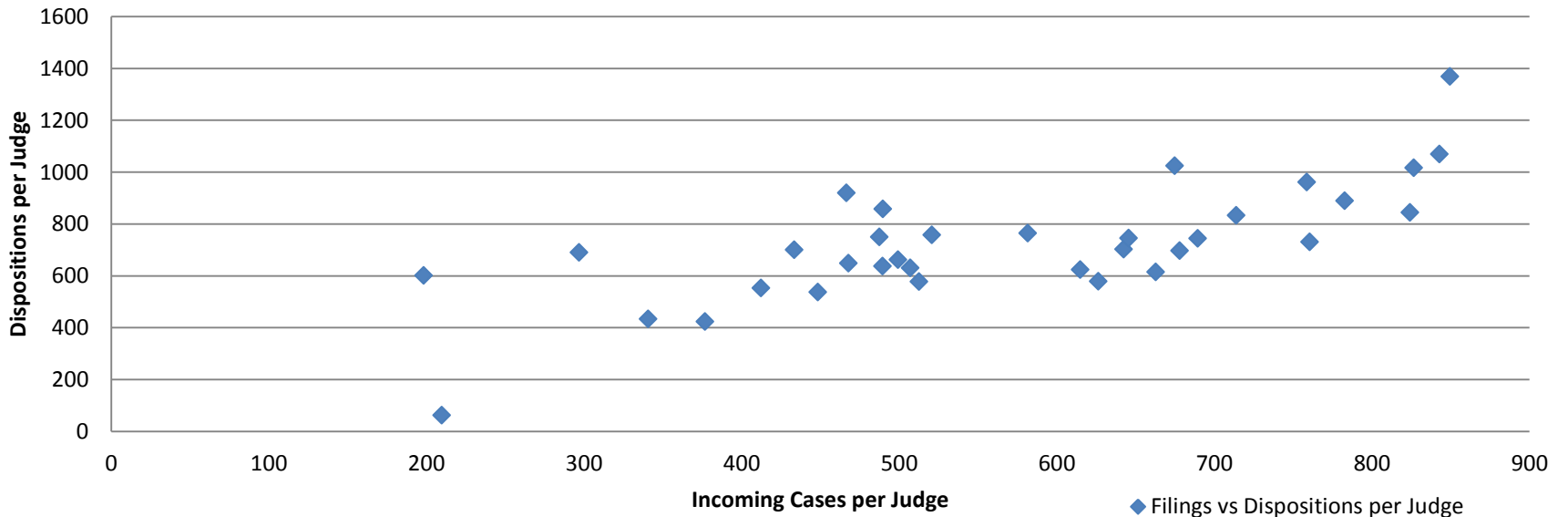
# Performance Assessment - Efficiency

- Overall number of incoming cases is decreasing
- The caseload data are somewhat inflated
- Sifting out inflated numbers reveals that judicial workload is modest
- Serbia's judicial system performs well in terms of timeliness at 1<sup>st</sup> instance.
- Serbia's backlog is bigger than comparator EU countries.
- Clearance rates have improved and are within or above EU range.
- Large disparities in performance, especially backlog and judicial productivity
- A range of challenges with procedural efficiency & abuse of process

### Filings per judge vs. Size of Court, Basic Courts 2013

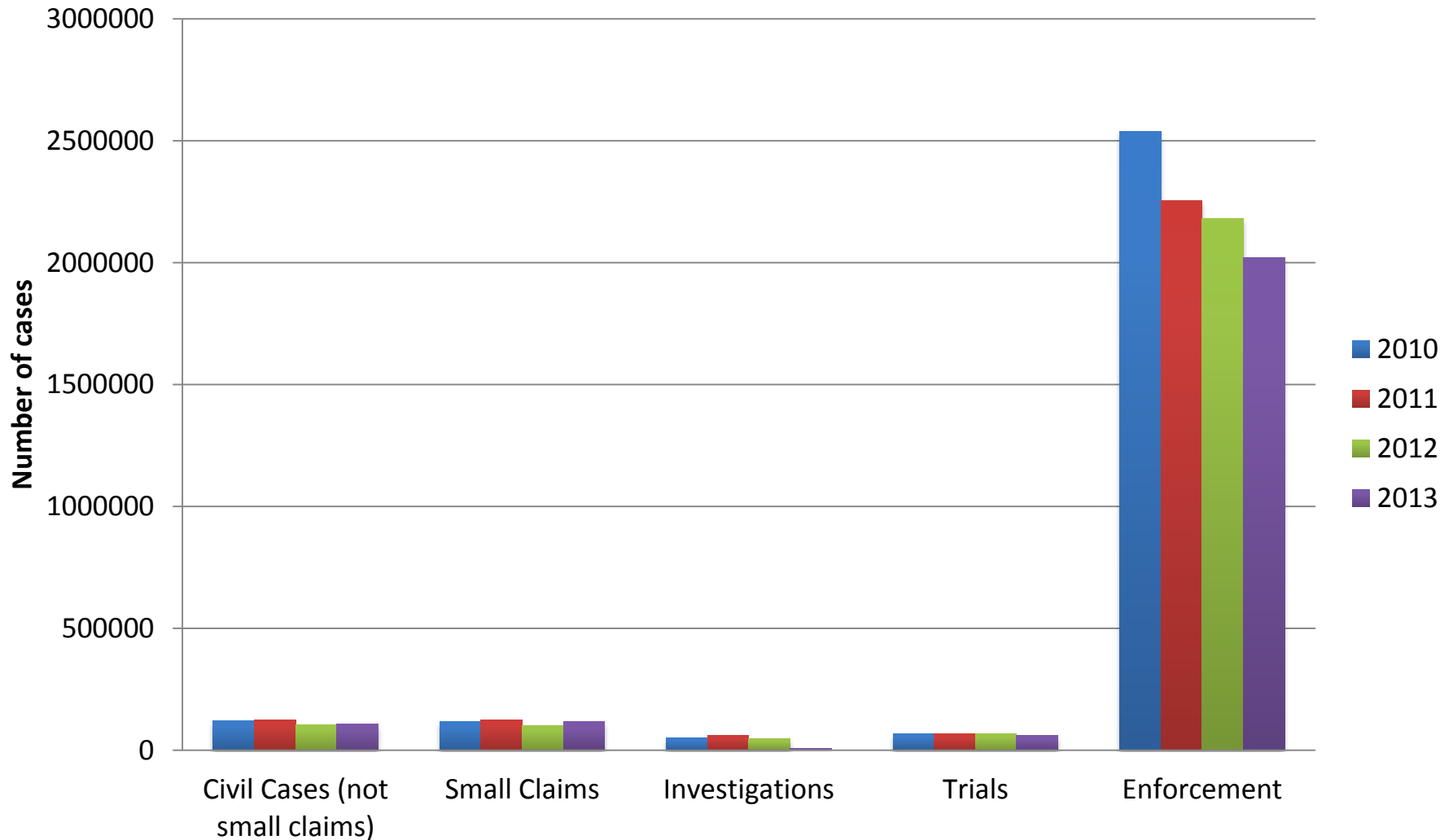


### Per judge dispositions vs. per judge filings, Basic Courts 2013





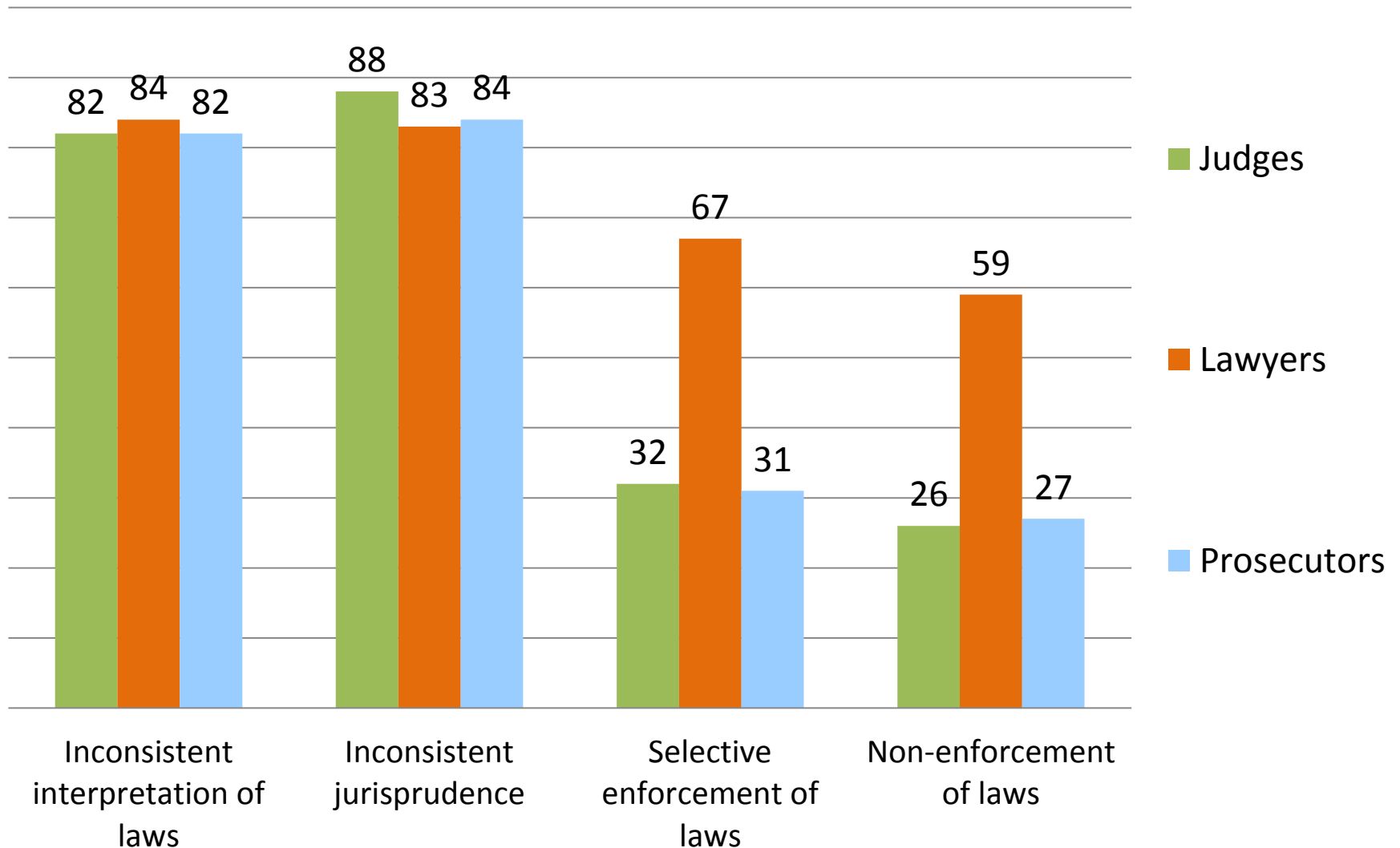
# Basic Court Pending cases, 2010-2013



# Performance Assessment - Quality

- Quality of laws is perceived to be low in terms of clarity & fairness
- Quality of decision-making is perceived to be low
- Appeal rates & abolishment rates vary but are not so bad
- ECHR complaints are problematic but confined to specific types of cases
- Perception of corruption remains widespread but is improving

# Problems estimated to occur often in the implementation of laws, 2013

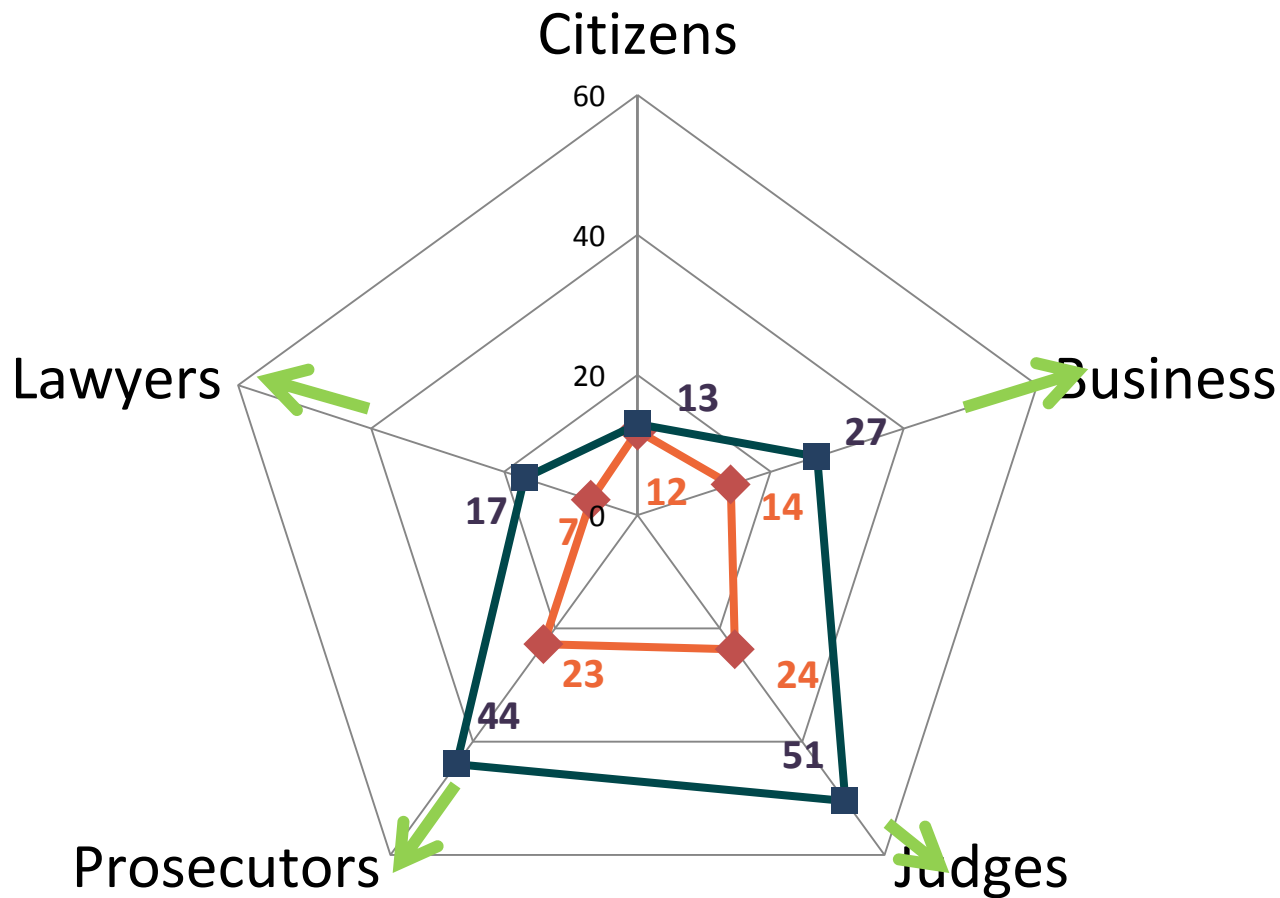


# Perception of Absence of Corruption in the Judicial System, 2009-2013

*Percentage of respondents claiming that there is NO corruption*

◆ 2009

■ 2013



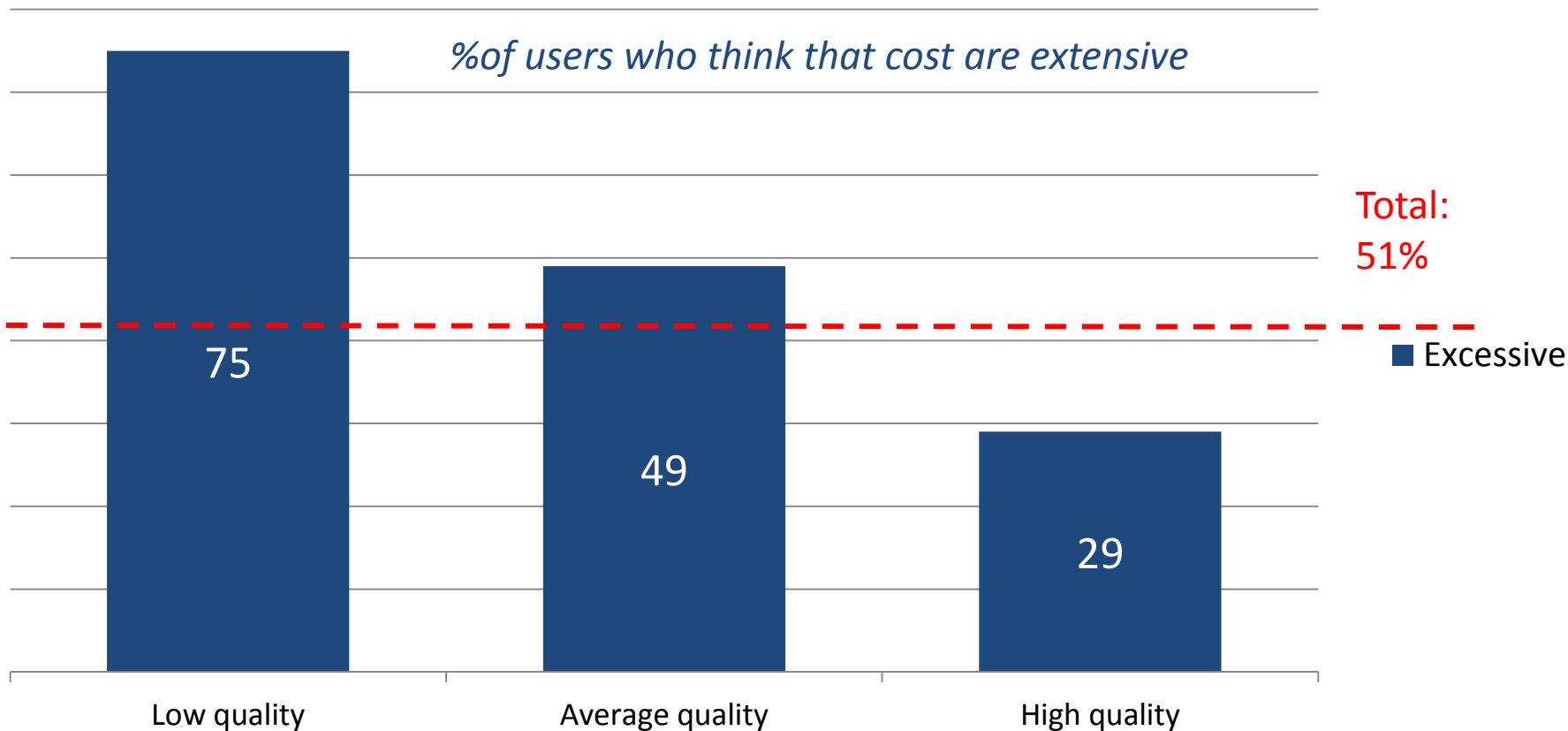
# Performance Assessment - Access

- Affordability is the largest barrier to access to justice
- Access to information is also a challenge
- Geographic / physical barriers aren't the biggest barriers
- Lack of ADR / mediation options limits access

# Perception of Costs by Quality of service – citizens with experience, 2013

One half of all citizens with experience perceive overall expenses in their court case as excessive, but...

*% of users who think that cost are extensive*



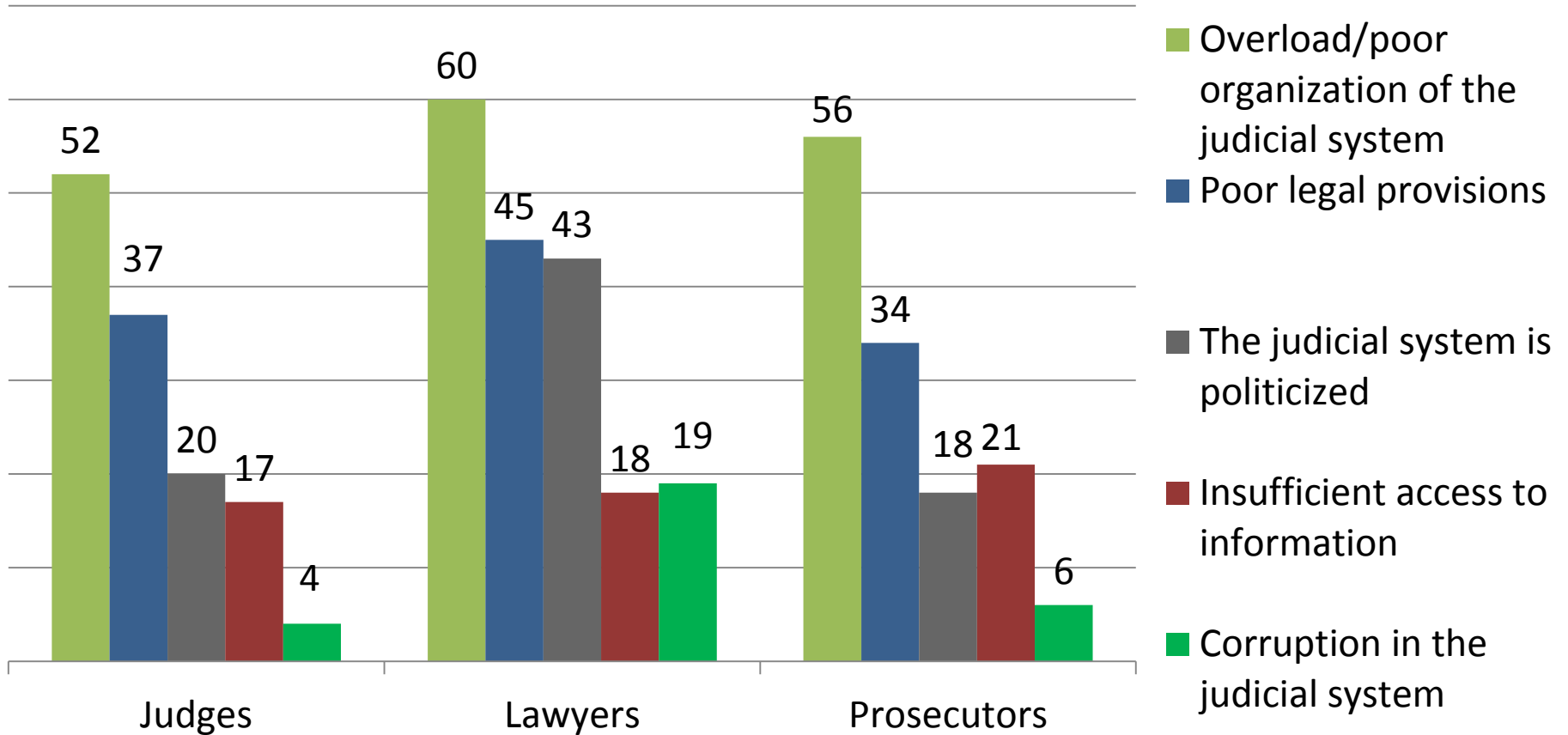
**If the quality is perceived as good then the costs are not perceived as excessive.**

# Performance Assessment - Overall

- In all, performance meets EU standards in some areas, and is below in others. Still is within reach
- Performance is improving in efficiency areas, less in quality and access
- After many structural changes, the system craves stability
- Efficiency, quality and access are highly related

# Reason for Evaluating the Judiciary System as not fully fair – Professional Staff, 2013

*% of PROFESSIONAL STAFF WHO DID NOT EVALUATED FAIRNESS AS “LARGELY FAIR”*



**No difference between 2009 and 2013.**



# **Resource Analysis**

What goes in to producing justice services?

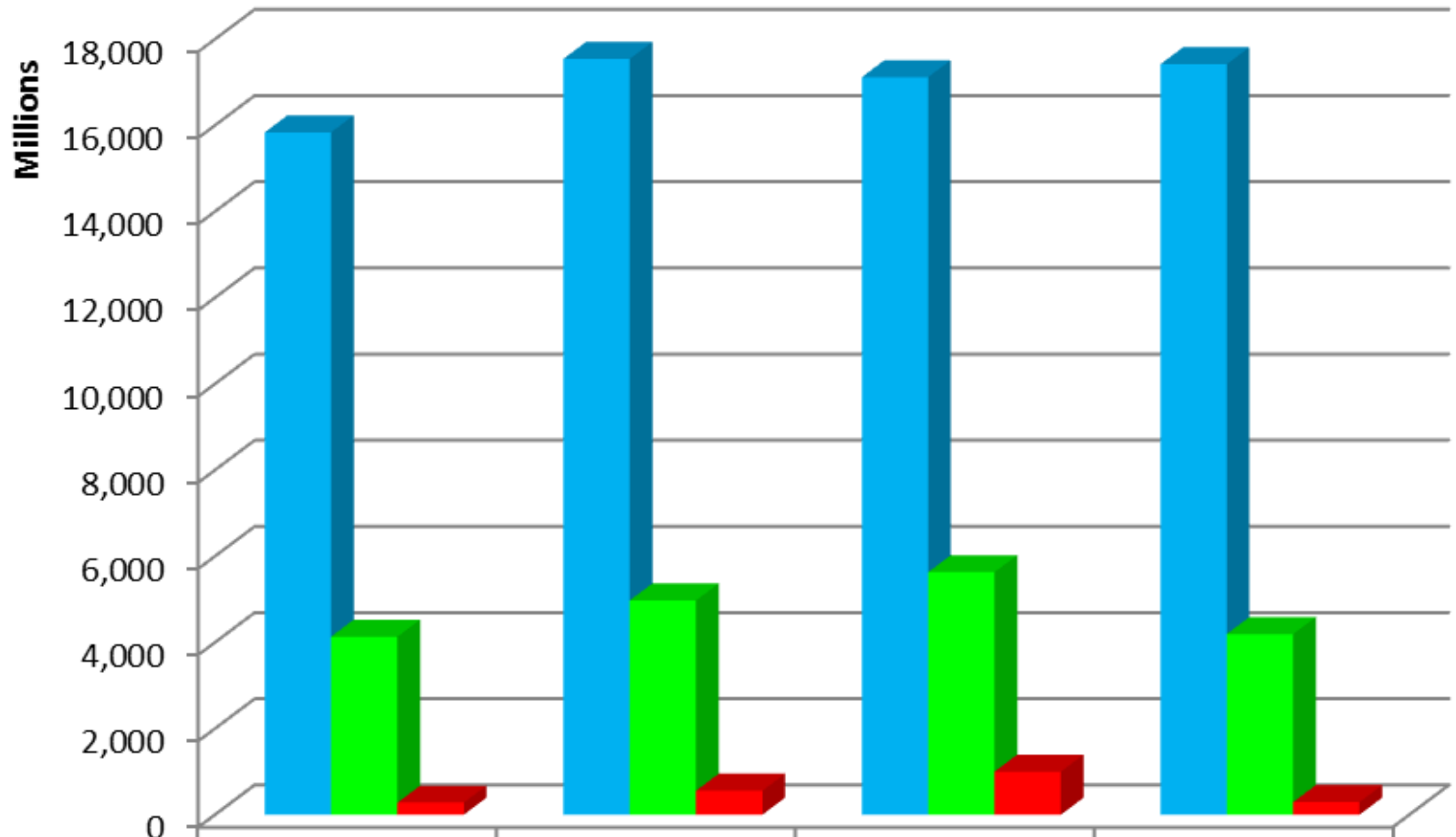
# Resource Analysis – Governance

- Governance has focused largely on judges and laws
- The next phase will need to focus on system performance & improvements
  - Developing a framework & methodologies for defining performance
  - Easy monitoring of that performance across the system by specialized staff in HJC & SPC
- Significant work will be required to transfer functions to HJC & SPC
  - Planning should be prioritized/implemented now

# Resource Analysis – Management

- The evidence base to inform management does exist
  - But is under-utilized because systems are fragmented and unwieldy
- Resource mix is imbalanced
  - 80% of budget tied up in salaries
  - Lack of flexibility to move funds and other resources where and when needed
  - Little room for transformations in ICT, infrastructure, innovation etc.
- With constrained resources, collaborative programming and choices will be required

# 2010-13 Structure of Executed Court System Budget in 2013 RSD/CPI

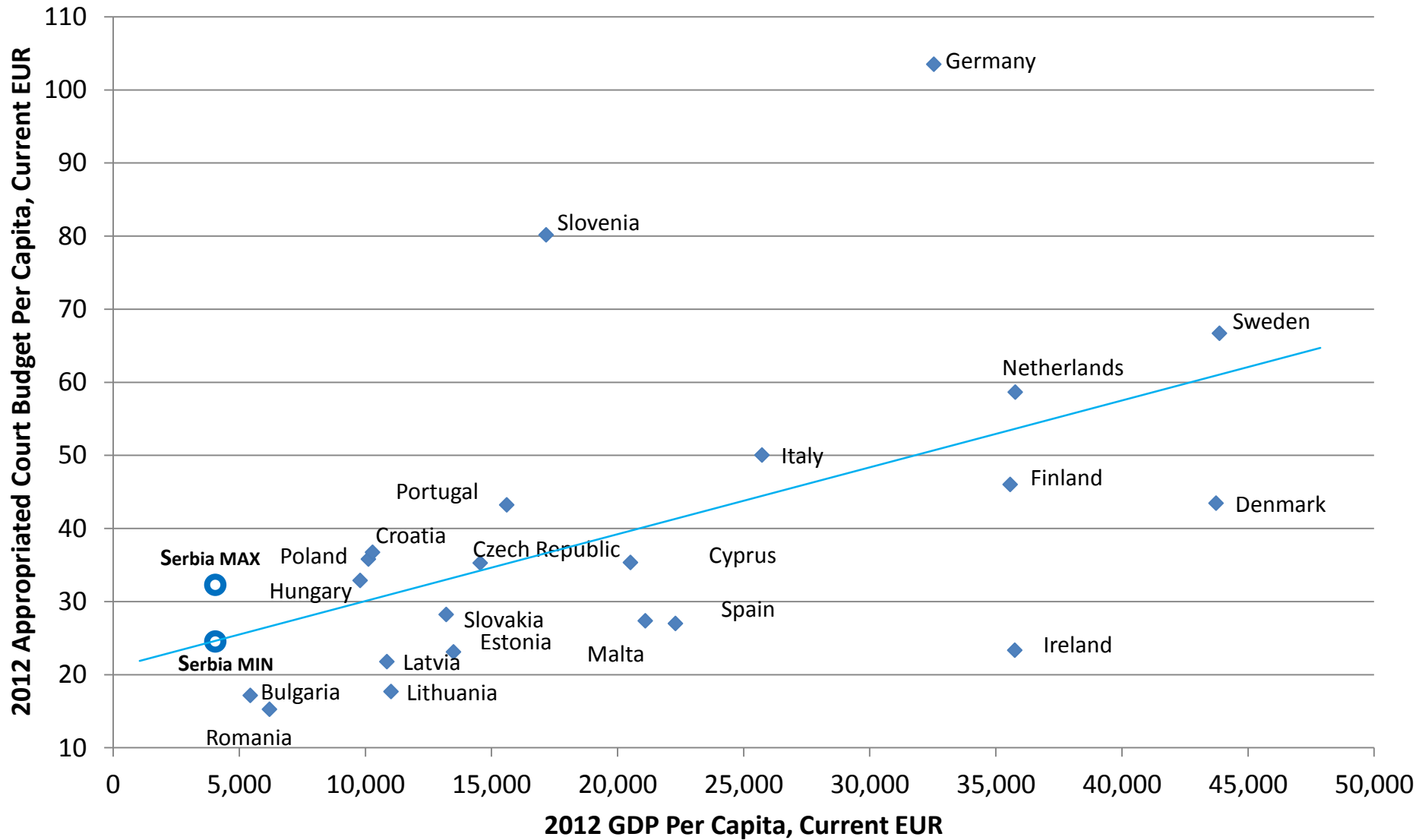


	2010	2011	2012	2013
Salaries	15,837,508,310	17,540,596,790	17,119,287,454	17,417,187,460
Current Less Salaries	4,132,417,327	4,972,580,362	5,629,666,970	4,192,777,476
Capital Investments	280,615,397	555,740,845	1,000,222,142	291,499,710

# Resource Analysis - Finance

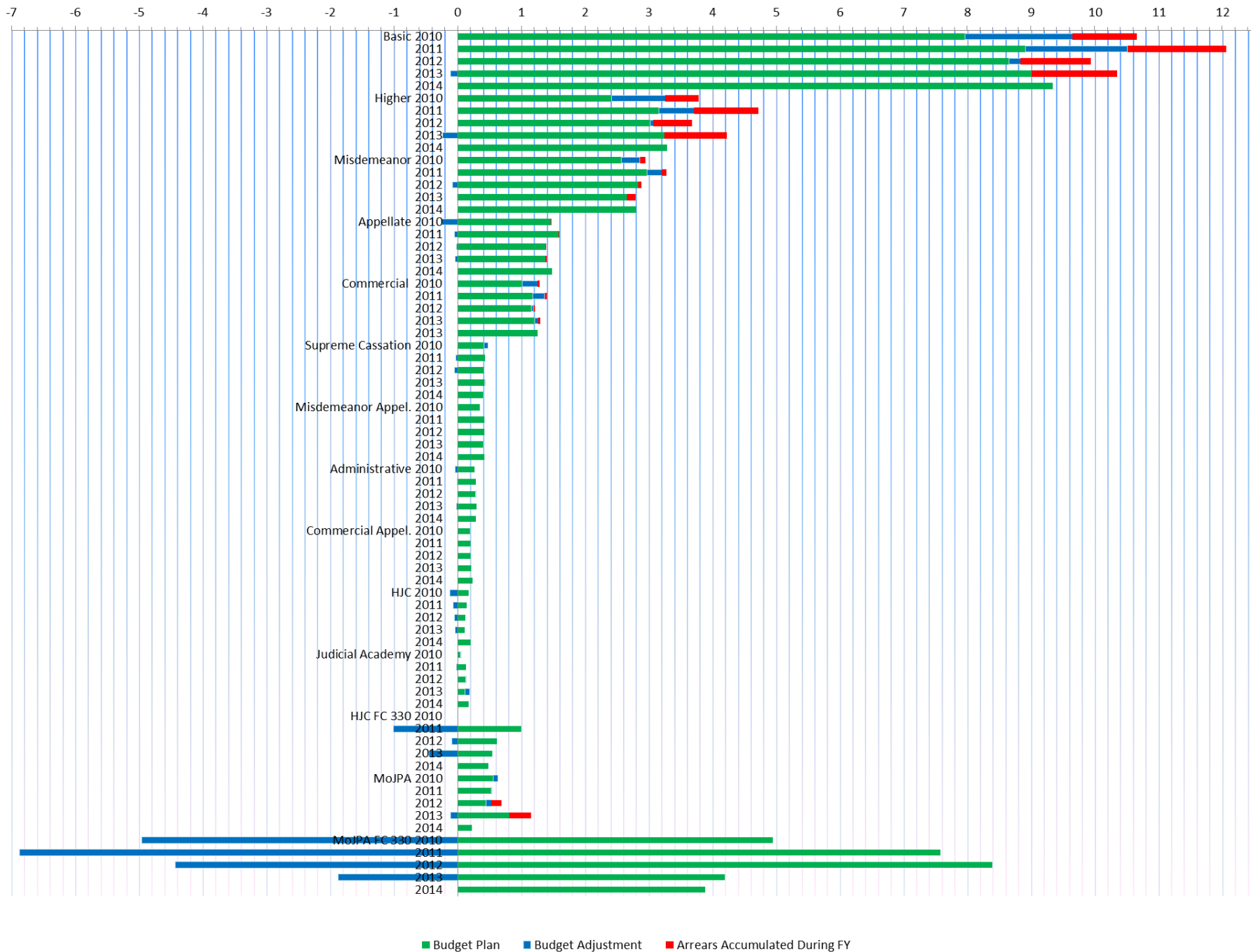
- Financial tools are underutilized in measuring and managing performance
- Funding levels are generally consistent with EU trends
- Consumption exceeds budget for large and increasing arrears in Basic and Higher courts
- Lack of disbursement predictability, unfunded mandates and reallocation restrictions leave-courts in constant survival mode, without sense of control and interest in taking initiative
- Fragmentation of financial management
- Lack of a common understanding of distinction between capital investment and maintenance hinders allocative efficiency and accountability
- Little evidence of abusing the financial management system for private gain

# Serbia and Selected EU Countries: Court Budget per Capita in Comparison with GDP per Capita



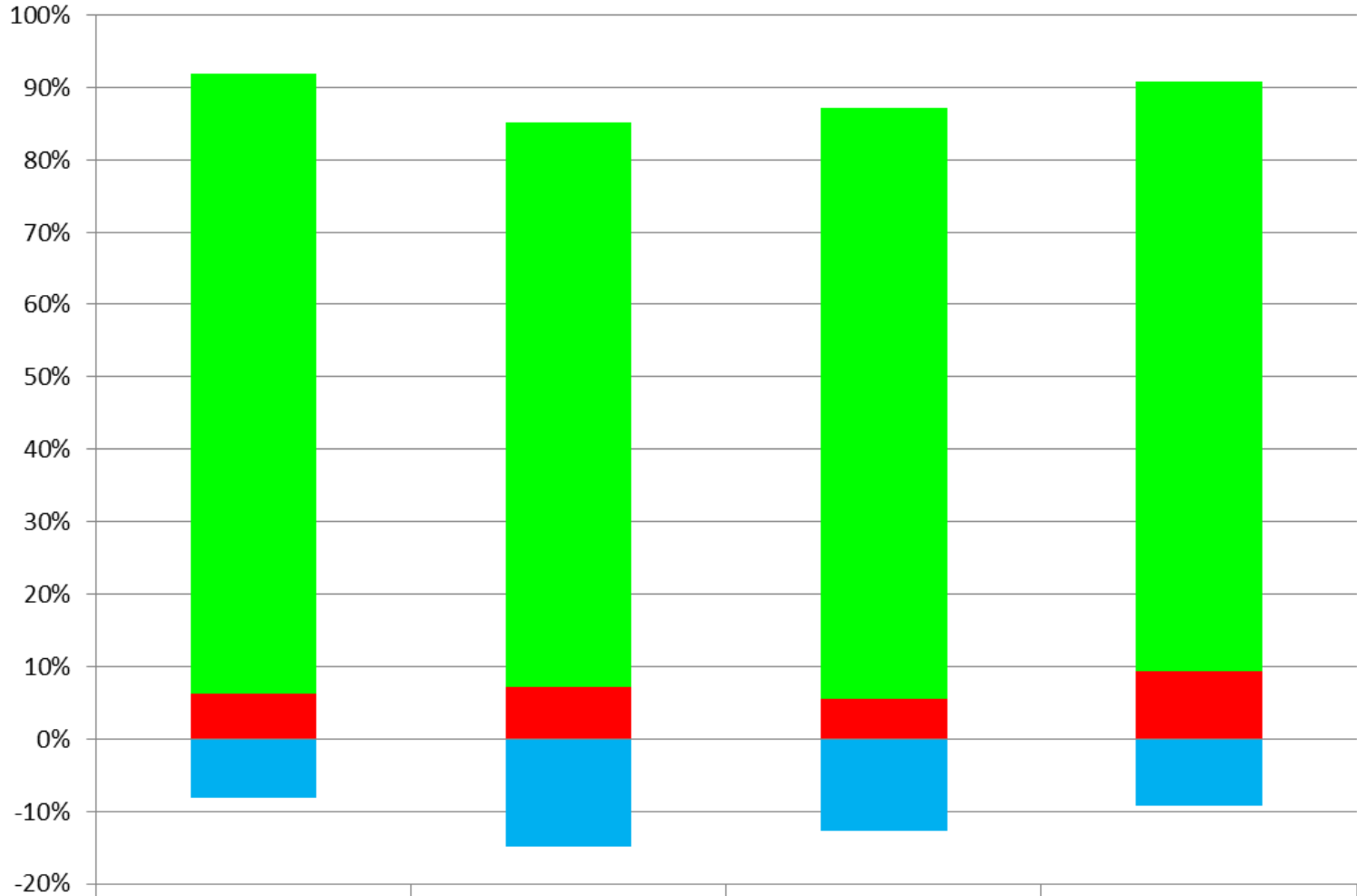
# The Court System 2010-2014 Budget Plans, Adjustments and Arrears

Billions of 2013 RSD/CPI



■ Budget Plan ■ Budget Adjustment ■ Arrears Accumulated During FY

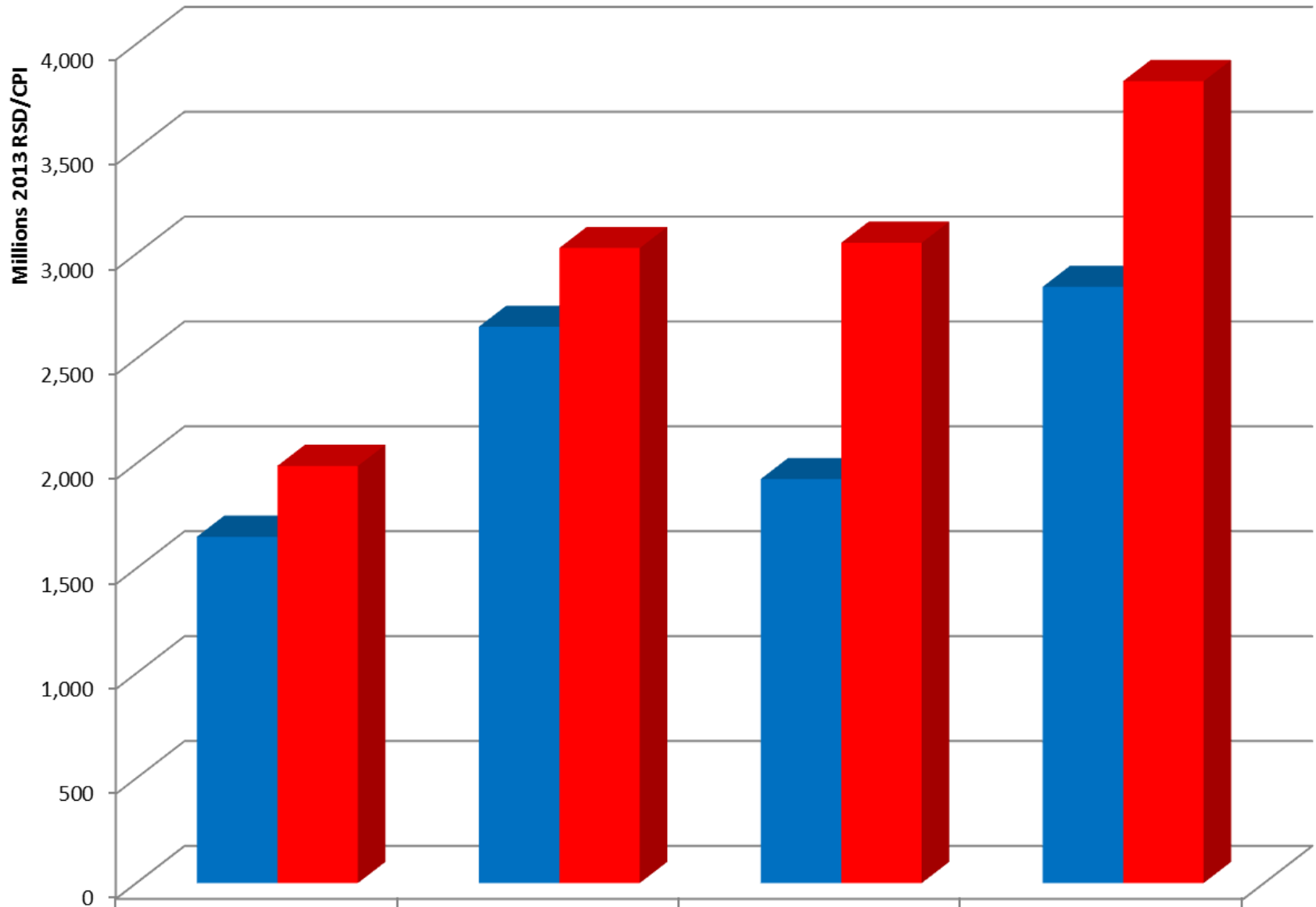
# 2010-13 Court System Appropriation, Budget Adjustment and Arreas as % of Consumption



■ Appropriation, BLN 2013 RSD/CPI	22.37	28.52	28.16	24.72
■ Arreas, BLN 2013 RSD/CPI	1.65	2.65	1.93	2.84
■ Adjustment, BLN 2013 RSD/CPI	-2.12	-5.45	-4.41	-2.81

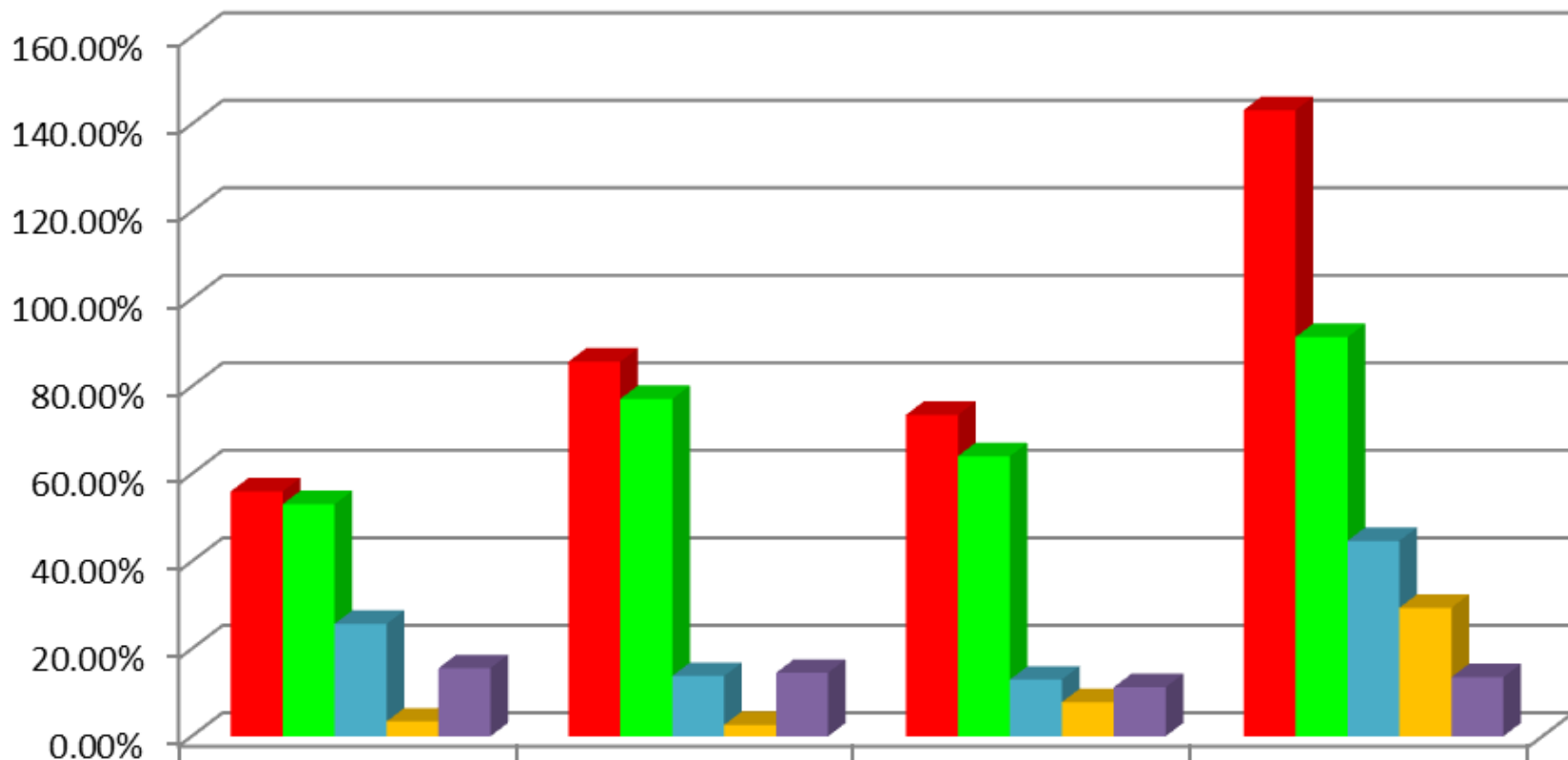


# 2010-13 Court System FY & Cumulative Arrears, 2013 RSD/CPI



■ Arrears, FY	1,650,691,419	2,651,337,122	1,925,544,011	2,841,814,856
■ Arrears, Cumulative	1,988,411,999	3,027,145,807	3,052,143,060	3,822,521,003

# Court 2010-13 FY Arrears as % of Executed Current Budget Net of Salaries

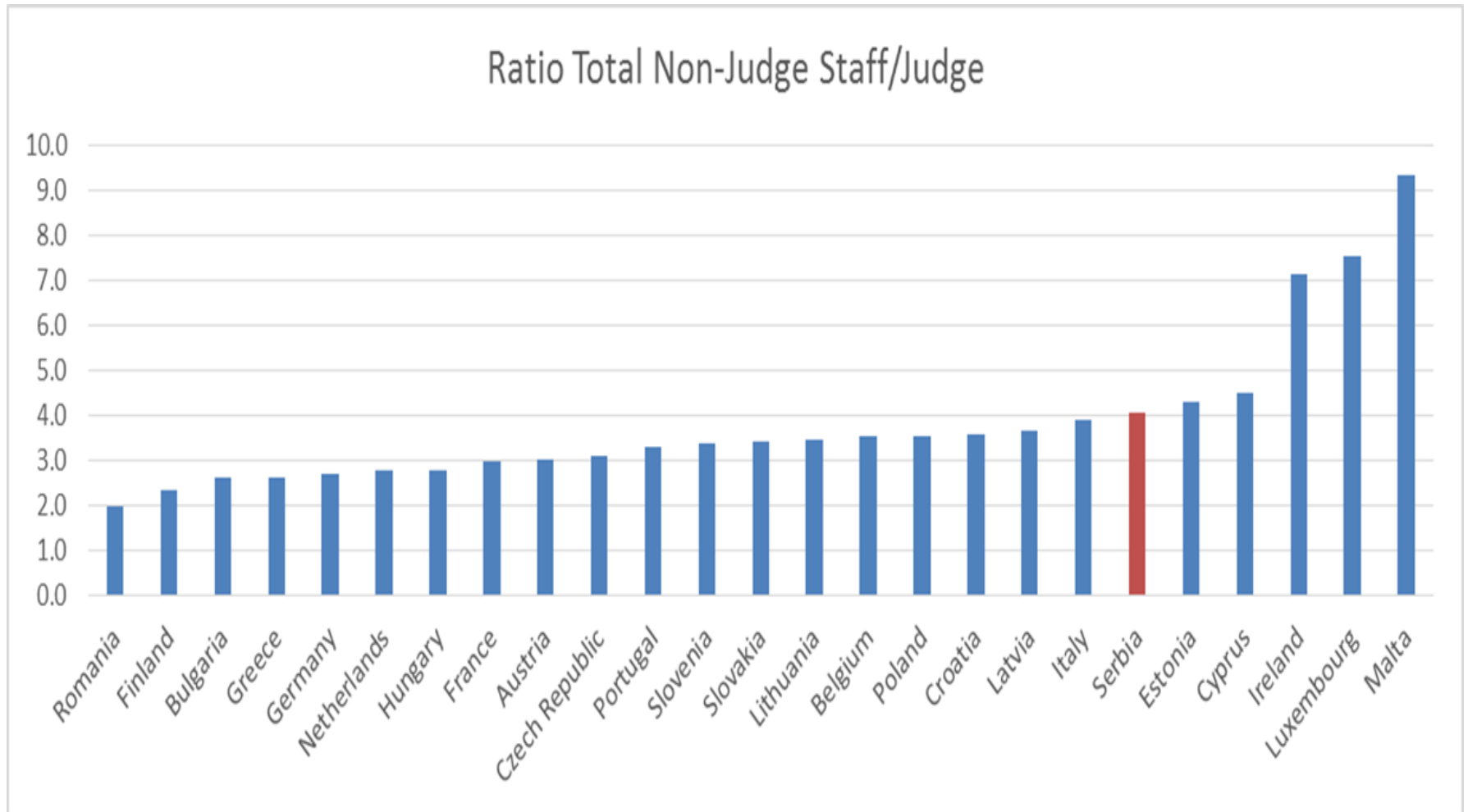


Higher	56.00%	85.66%	73.49%	143.20%
Basic	53.07%	77.14%	64.06%	91.28%
Misdemeanor	25.70%	13.78%	12.94%	44.69%
Appellate	3.37%	2.60%	7.77%	29.38%
Commercial	15.57%	14.52%	11.22%	13.51%

# Resource Analysis - HR

- Large numbers of people in the system
- Staffing structure is imbalanced & unplanned
- The system lacks the flexibility to perform
- Judge evaluation and discipline improving
- Judicial Academy could do more to support the transformation

# Comparatively High Ratios of Staff per Judge



# Ancillary Staff a Large Proportion of Total Staffing

The ratio of ancillary employees to core, non-enforcement case-related staff demonstrates the courts have a significant number of employees who are not engaged in the courts' core functions

Ratio of Budgeted Ancillary to Core Staff by Court Type - 2013

Court Type	Total Non-Judge Employees	All Case Processing Related Positions	% Comprising Case Processing Related	Other Employees	% Comprising Other Employees
Appellate	589	504	86%	85	14%
Higher	1644	1141	69%	503	31%
Basic	5948	4011	67%	1937	33%
Commercial	749	619	83%	130	17%
Misdemeanor	2053	1403	68%	650	32%
<b>TOTAL</b>	<b>10983</b>	<b>7678</b>	<b>70%</b>	<b>3305</b>	<b>30%</b>

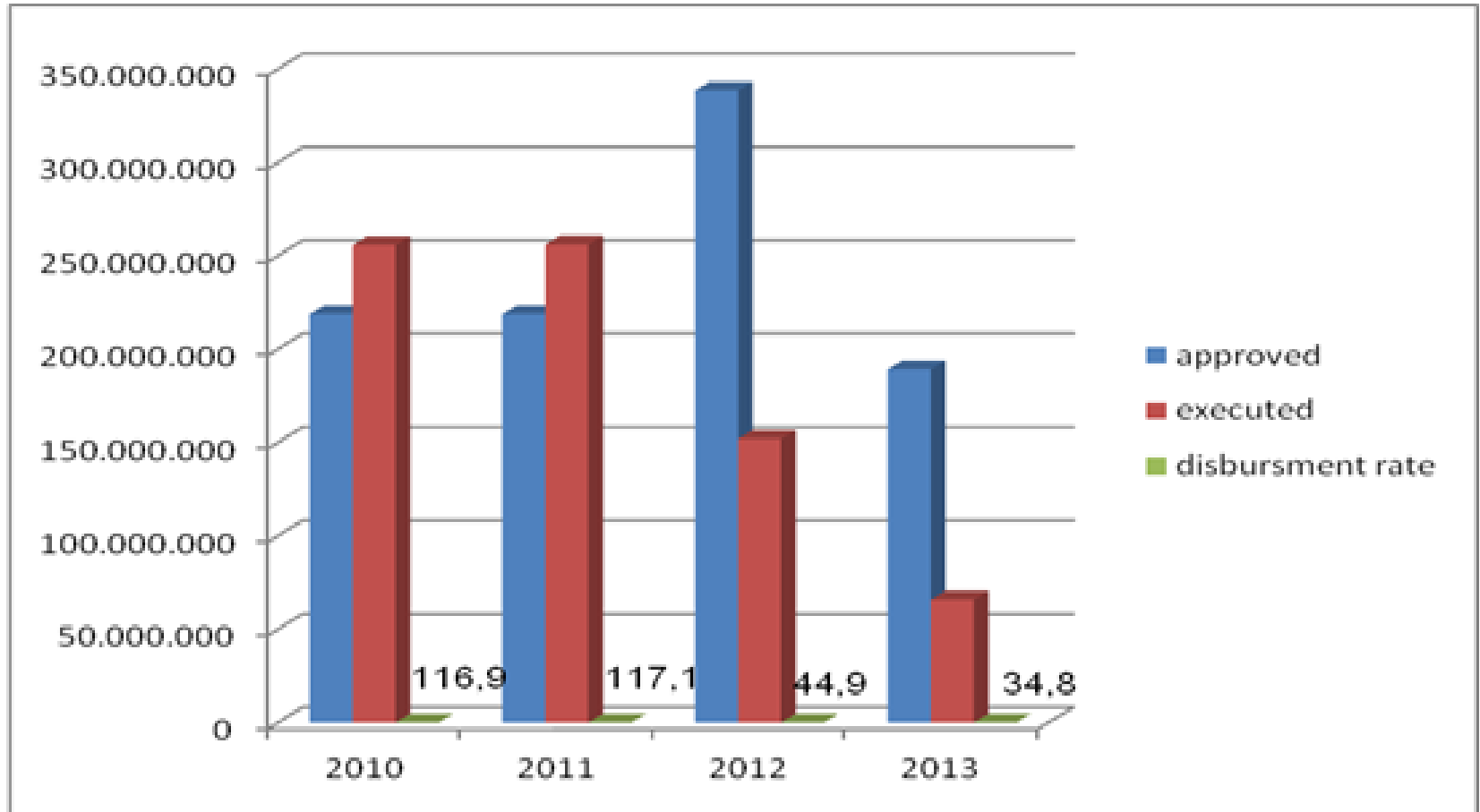
# Resource Analysis - ICT

- Systems are improving and gradually replacing paper processes
- Systems remain under-utilized
- Variety of unlinked systems with limited exchange
- Lack of in-house ICT capacity
- Long-range ICT budget planning required

# Resource Analysis - Infrastructure

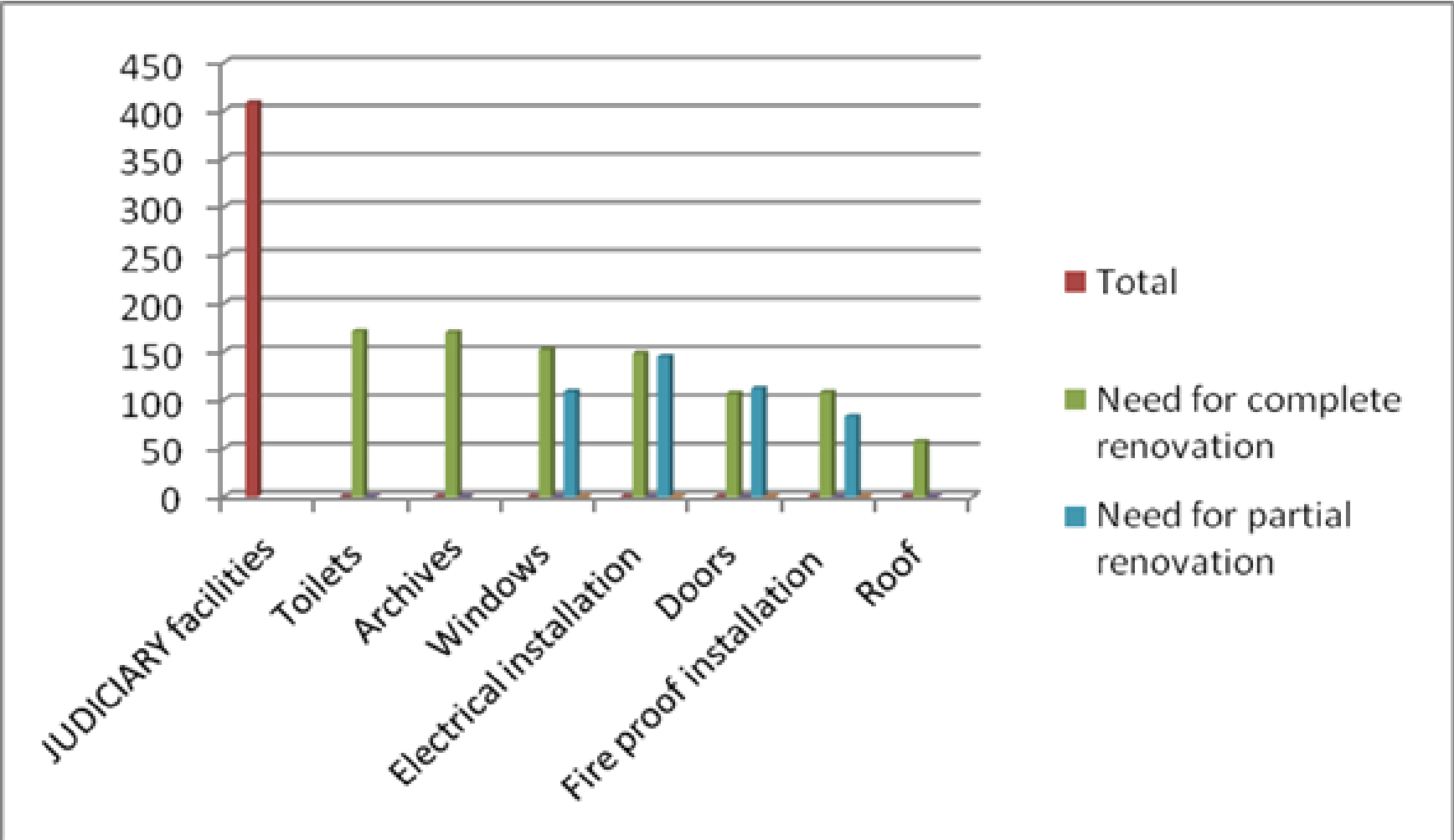
- Continuous changes to the system make infrastructure planning challenging.
- Absence of multi-year capital planning\* doesn't allow for planning.
- Fragmentation of planning responsibility between MOJPA and HJC/SPC.
- Low capacity in MOJPA and HJC for capital planning and investments
- Maintenance and investments is mainly done on the ad hoc basis
- Lack of courtrooms and use of judges' chambers as substitutes creates challenges to efficiency and transparency.

# Planned and realized funds for capital expenditures for the judiciary





# Court infrastructure – renovation needs



# Reconciling performance & resources?

- Demand is tapering off
  - Services are being outsourced
  - Inflow of cases is falling
- Inputs have increased
  - Resource consumption has increased, mainly by increasing arrears
  - HR has increased, mainly via ad hoc recruitment
- Outputs have stagnated
  - Caseload figures are steady
  - Little backlog reduction

Question: why hasn't performance and value for money been so much stronger?

And what can be done given existing resource constraints to improve performance?

# Next steps?

- Welcome feedback on these issues
- We'll share draft documents along the way
- Further meetings to share this PPT with stakeholders
- Workshop in June to discuss Recommendations and Risks
- Share full draft report
- Receive comments
- Finalize report

**Questions?**