

**The World Bank**

**REPUBLIC OF SERBIA**

**Multi Donor Trust Fund for  
Justice Sector Support (MDTF-JSS)**

(TF71171, 71444; GRANT 097118)

**MID-TERM EVALUATION REPORT**

**December, 2012**

**Poverty Reduction and Economic Management Unit  
Europe and Central Asia Region  
The World Bank**

A Mid-Term Evaluation mission was conducted during June 4-15, 2012. It was composed by Ivan Bizjak (Consultant, Justice-related EU Accession Specialist), David Sip (Consultant, Judicial Reform Specialist) and Cecilia Zanetta (Consultant, Evaluation Specialist) under the supervision of Edgardo Mosqueira, TTL (Senior Public Sector Specialist). The team had the full support of the MDTF-JSS team, both DC-based staff, including Claire Greer (Public Sector Specialist) and field office staff, including Srdjan Svirčev (Public Sector Specialist and Program Coordinator), John Furnari (Senior Justice Sector Specialist), Marina Matic (Consultant) and Hermina Vuković Tasić (Program Assistant). The team also benefited greatly from guidance from Loup J. Brefort (Country Manager) and comments from Heike Gramckow (Senior Counsel, Justice Reform Practice Group) and Jens Kristensen (Lead Public Sector Governance Specialist) to an earlier version of this report. Any mistakes, as well as the views expressed therein remain the sole responsibility of the authors; they do not necessarily reflect positions and views of the Bank TaskTeam or the World Bank.

**CURRENCY EQUIVALENTS**  
(Exchange Rate Effective August 14, 2012)

**Currency Unit = Dinar**

Dinar 1.00 = US\$ 94.68

US\$ 1.00 = Dinar0.0106

**FISCAL YEAR**

January 1 - December 31

**ABBREVIATIONS AND ACRONYMS**

BEEPS	Business Environment and Enterprise Performance Survey
CC	Constitutional Court
CMS	Case Management System
EC	European Community
EU	European Union
EUIO	European Union Integration Office
ICT	Information and Communication Technology
IFC	International Finance Corporation
JPAC	Justice Partners' Advisory Committee
JPEIR	Judicial Public Expenditure and Institutional Review
KPI	Key Performance Indicator
NJRS	National Judicial Reform Strategy
M&E	Monitoring and Evaluation
MDTF-JSS	Multi-donor Trust Fund for Justice Sector Support
MoF	Ministry of Finance
MoJ	Ministry of Justice
NPI	National Program for EU Integration
ODA	Official Development Assistance
PDO	Project Development Objective
PIU	Project Implementation Unit
RFU	Reform Facilitation Unit
SAA	Stabilization and Association Agreement
WEF	World Economic Forum

## Contents

<b>PART I – CONTEXT, DEVELOPMENT OBJECTIVES AND DESIGN .....</b>	<b>1</b>
<b>1.1 CONTEXT AT PREPARATION .....</b>	<b>1</b>
<b>1.2 ORIGINAL PROJECT DEVELOPMENT OBJECTIVES (PDOs) AND KEY PERFORMANCE INDICATORS (KPIs) .....</b>	<b>1</b>
<b>1.3 PROJECT COMPONENTS.....</b>	<b>2</b>
<b>1.4 OTHER SIGNIFICANT CHANGES.....</b>	<b>2</b>
<b>1.5. GOVERNANCE ARRANGEMENTS .....</b>	<b>3</b>
<b>PART II - KEY FACTORS AFFECTING IMPLEMENTATION AND OUTCOMES .....</b>	<b>3</b>
<b>2.1 PROJECT PREPARATION, DESIGN AND QUALITY AT ENTRY.....</b>	<b>4</b>
<b>2.2 FACTORS AFFECTING PROJECT IMPLEMENTATION .....</b>	<b>7</b>
<b>2.3 FACTORS EXPECTING TO AFFECT FUTURE PROJECT IMPLEMENTATION .....</b>	<b>10</b>
<b>PART III - ASSESSMENT OF OUTCOMES AND PROGRESS .....</b>	<b>11</b>
<b>3.1 RELEVANCE OF OBJECTIVES, DESIGN AND IMPLEMENTATION .....</b>	<b>11</b>
<b>3.2 ACHIEVEMENT OF PROJECT DEVELOPMENT OBJECTIVES .....</b>	<b>13</b>
<b>3.3 PROGRESS IN IMPLEMENTATION OF INDIVIDUAL COMPONENTS .....</b>	<b>14</b>
<b>PART IV –RISK ASSESSMENT.....</b>	<b>16</b>
<b>PART V - CONCLUSIONS AND RECOMMENDATIONS FOR THE PROJECT.....</b>	<b>17</b>
<b>PART VI – LESSONS LEARNED.....</b>	<b>21</b>
<b>INTERVIEWS CONDUCTED DURING THE MID-TERM REVIEW MISSION.....</b>	<b>25</b>

# Multi-Donor Trust Fund for Justice Sector Support in Serbia (MDTR-JSS) Mid-Term Review

## PART I – Context, Development Objectives and Design

### 1.1 Context at Preparation

In the early 2000s, in recognition of its importance for European Union (EU) accession, Serbia set in motion the reform of its justice sector as well as strengthening of governance structures, improving the business climate, fighting corruption and improving State's accountability and effectiveness. However, the overall pace of the reforms and their impact was far less than anticipated until 2006, when the National Assembly endorsed the National Judicial Reform Strategy (NJRS) to guide sector reforms. A new window of opportunity opened in 2008 with the signing of the Stabilization and Association Agreement (SAA) with the EU and the preparation of a National Program for EU Integration (NPI). To seize this opportunity, the donor community and the Ministry of Justice (MoJ) agreed on the establishment of a Multi-Donor Trust Fund for Justice Sector Support (MDTF-JSS) in order to support Serbia's justice sector reforms in relation to the EU accession process.

The MDTF-JSS adopted a two-pronged approach that included the establishment of: i) a policy-making and overseeing body in the form of a Partner's Forum; and ii) the MDTF-JSS itself, which was a financial mechanism to provide overall coordination and technical assistance. Specifically, the Partners' Forum was conceived as a mechanism to facilitate policy- and results-based dialogue between the Serbian authorities (MoJ, judges, and prosecutors) and donors on: (a) articulation of medium-term justice sector priorities for reform, institutional strengthening and modernization; (b) progress toward improvement of the justice sector performance, including the development of indicators to monitor and report performance; and (c) increased aid coordination and effectiveness. In order to complement the Partners' Forum, the MDTF-JSS was conceived as a key vehicle to pool donor contributions in order to finance a coordinated work program to support the MoJ and justice sector institutions on the implementation of priority reforms and prepare the foundation for appropriate long-term operational support for Serbia. The World Bank was to be responsible for its administration and execution. The Project Memorandum was prepared in 2008 and the MDTF-JSS became effective on December 2, 2008.

### 1.2 Original Project Development Objectives (PDOs) and Key Performance Indicators (KPIs)

#### Project Development Objective - PDO

The overall objective of the MDTF-JSS was to facilitate the acceleration of Serbia's EU integration process in relation to the justice sector. This objective, in turn, was to be achieved by supporting three project-specific PDOs:

- PDO I - Strengthening institutional capacity;
- PDO II - Improving justice sector performance, and
- PDO III - Increasing aid effectiveness.

#### Key Performance Indicators - KPIs

A set of four KPIs was identified to assess PDO achievement:

- KPI I - Updated National Judicial Reform Strategy (NJRS), Implementation Plan and NJRS Results Framework provide a satisfactory basis for tracking and reporting progress on justice sector performance.
- KPI II - Periodic stakeholder surveys show improved private sector and public ratings for justice sector efficiency and performance.
- KPI III - Increasing share of justice sector Official Development Assistance (ODA) is on-budget.
- KPI IV - Strategic outreach and monitoring and evaluation (M&E) arrangements are institutionalized so as to track and report justice sector reform progress and impact.

### 1.3 Project Components

#### Original Project Components – TF71171

##### **Component 1 - Institutional Capacity**

The objective was to facilitate capacity-building in the MoJ, the judiciary and the Ministry of Finance (MoF) to design, coordinate and implement judicial reform and modernization programs.

##### **Component 2 - Resource Management and Aid Coordination**

The objective was to facilitate the justice sector leadership to strengthen justice sector resource management and aid coordination.

##### **Component 3 - Legal and Institutional Environment**

The objective was to facilitate the strengthening of the legal and institutional environment for the judiciary.

##### **Component 4 - Judicial Facilities and Infrastructure**

The objective was to facilitate the acceleration of the systematic modernization of the court and prosecutorial network; strengthen the resourcing, operations and management of the physical and IT facilities of courts and prosecutor offices; and facilitate the assessment of impact on users' access and satisfaction.

##### **Component 5 - Outreach, Monitoring and Evaluation**

The objective was to institutionalize strategic outreach, M&E arrangements to track and report on justice sector reform progress and impact.

#### Revised Project Components - 71444

The original components were modified when the project was amended in 2010.<sup>1</sup> The revised components are as follows:

##### **Component 1 – Advisory services**

This component encapsulates the original project components, namely: i) Institutional Capacity; ii) Resource Management and Aid Coordination; iii) Legal and Institutional Environment; iv) Judicial Facilities and Infrastructure; and v) Outreach, Monitoring and Evaluation.

##### **Component 2 – Technical assistance**

This component provides technical assistance in the same five areas described above and, additionally, in the area of access to justice.

##### **Component 3 – Supervision**

##### **Component 4 - Trust Fund Administration**

##### **Component 5 - Program Management**

While the substantive focus of Components 1 and 2, they differ in terms of the party responsible for its execution. Specifically, Component 1 is Bank-executed and provides advisory services primarily through analytical reports, training of relevant MOJ staff and other relevant staff, policy dialogue and surveys. Component 2 is Recipient-executed and provides technical assistance through support to a Justice Sector Reform Facilitation Unit (RFU) within the MoJ as well as the establishment of a Project Implementation Unit (PIU) within the MoJ.

### 1.4 Other Significant Changes

#### 2010 Amendment – Grant No. TF97118

In September 2010, the MDTF-JSS was amended to extend a grant of up to US\$2 million to the MoJ out of the funds included in the MDTF-JSS. The objective of the grant was fully consistent with that of the MDTF-JSS, namely “to provide support for strengthening and advancing judicial reform in the Republic of Serbia in order to facilitate its integration to the European Union.”<sup>2</sup>

The grant supported two sets of activities:

1. The establishment and operation of a Reform Facilitation Unit (RFU) within the MoJ to facilitate and coordinate the public sector reform program; and
2. Support for improving access to justice, including the development of the legislative framework of a free legal

<sup>1</sup>The modification was done as an internal administrative procedure, which is consistent with the World Bank rules for Trust Funds.

<sup>2</sup>Letter from Loup Brefort (World Bank Country Director) to Diana Dragutinovic (Minister of Finance) dated Sept. 13, 2010, Annex, and Appendices I and II.

aid system and facilitating its establishment.

As a result of the amendment, the MDTF-JSS became a “Hybrid Trust Fund” executed by both the World Bank and the MoJ. The expectation was that the new execution arrangements would help align MDTF-JSS activities with government reform priorities and allow for the funding of activities that are not eligible under World Bank execution, such as providing direct financial support to the professional associations and other civil society organizations working and contributing to the justice sector.

#### Increase in the amount of the MDTF-JSS

Originally, the funds available under the MDTF-JSS (TF071171) amounted to approximately US\$3.3 million including contributions by Denmark, Norway, Sweden (SIDA); Slovenia, Spain, UK (DFID) and the Netherlands.<sup>3</sup>

As part of the Amendment, the funds under the MDTF-JSS almost doubled as a result of an additional US\$3.7 million contribution from Sweden. These additional funds were intended primarily to initiate activities in the area of access to justice.

#### Subsequent modifications

In December 2011, there were two additional modifications introduced:<sup>4</sup>

1. The Project’s closing date was extended to December 31, 2015; and
2. The amount of the grant extended to the MoJ was increased from US\$2.0 to US\$2.7 million<sup>5</sup>.

## 1.5. Governance Arrangements

### Original Governance Arrangements

As originally conceived, the Partners’ Forum was expected to play a central role in facilitating policy dialogue and interaction between justice institutions, the MoF, the EU, other stakeholders, and other development partners working in the justice sector. A Justice Partners’ Advisory Committee (JPAC) was to be responsible for the coordination of this forum. It was anticipated that JPAC meetings were to be held at least three times a year, co-chaired by the MoJ and the World Bank –as administrator of the MDTF-JSS.

In the original project design, the World Bank was fully responsible for administering and executing the MDTF-JSS according to the definition of responsibilities specified in the Administration Arrangement between the Bank and each of the MDTF-JSS contributors. The World Bank and representatives of all MDTF-JSS donors contributing a minimum of 100,000 euros constituted an MDTF-JSS Management Committee. The World Bank was responsible for reporting to the MDTF-JSS Management Committee on a quarterly basis on activities financed or under consideration from the MDTF-JSS. Day-to-day execution of MDTF-JSS activities was to be the responsibility of a World Bank Trust Fund-accredited Task Team Leader, who would coordinate with the MoJ.

### Revised Governance Arrangements

The overall MDTF-JSS governance arrangements did not change significantly as a result of the amendment except, as previously mentioned, by the addition of the MoJ as executor of some of the activities financed under the MDTF-JSS. As part of its obligations, the MoJ was responsible for establishing a PIU within the MoJ to carry out the day-to-day implementation, as well as managing the activities financed by the Grant. The MDTF-JSS Management Committee was responsible for providing guidance and direction to the activities being implemented by the MoJ.

## PART II - Key Factors Affecting Implementation and Outcomes

**The modest impact of the MDTF-JSS after more than three years of implementation has been primarily the result of a highly complex implementation environment.** While the original project design put forth an adequate strategic framework for short-term assistance consistent with the proposed PDO, it did not fully

<sup>3</sup> The original funds are estimated based on the contributions by country reported in the Project Memorandum (Dec. 1, 2008) and converted into US dollars, the Trust Fund’s holding currency, using the currency exchanges for Dec.1, 2008. The Swedish contribution (SDK26 million) was converted into US dollars using the exchange rate for Dec.1, 2009. It is important to note that, since contributions are converted to the US dollars upon receipt, the overall amount of the trust fund has fluctuated as a result of specific exchange rates on the date when the various contributions were received.

<sup>4</sup> Letter from Loup Brefort (World Bank Country Director) to MilicaDelević (Director, Serbia’s EU Integration Office), dated Dec. 21, 2011 and signed by Ms. Delević on Dec. 27, 2011.

<sup>5</sup> Additional 700,000 US dollars were transferred to the MoJ for development of a comprehensive IT strategy for justice sector.

address the political economy dimension of Serbia's justice sector reform. Furthermore, it did not provide the MoJ with room to administer the MDTF-JSS funds. While the amendment addressed this issue by giving the MoJ executing powers, from a technical perspective it ended up resulting in a significant uncoordinated, output-based approach from the Bank and the MoJ.

**The MDTF-JSS has also been operating in a particularly volatile environment.** In particular, the process of reelection of judges and prosecutors in 2009 became highly contested. In that context, the MDTF-JSS became the main focus of attention, which distracted attention from other pressing issues and taxed the already limited capacity of judicial institutions.

Two important new developments will determine the future of the MDTF-JSS. First, a new coalition government was formed in July 2012 and its agenda with respect to both justice sector reform and EU accession will be critical in determining of the role of the MDTF-JSS in the future. In addition, the EU will become an MDTF-JSS donor in the coming months. This will result in a substantial influx of funds, which might help to strengthen the focus of the MDTF-JSS on the EU accession process.

## 2.1 Project Preparation, Design and Quality at Entry

### I. Identified Project Strengths

**At the time of preparation, there was a window of opportunity to support Serbia's accession process to the EU in relation to justice sector issues.**

- The preparation of the MDTF-JSS provided a timely response for coordinated support from several donors, including Denmark, Norway, the Netherlands, Slovenia, Spain, Sweden, and the United Kingdom.
- Bank staff succeeded in galvanizing the international community's will to support Serbia's justice sector. Substantial financial contributions were raised swiftly and an adequate strategy for short-term support was developed.

**From a technical perspective, the original project design did not present any significant weaknesses.**

- **Short-term, focused donor support inserted in a medium-term strategy.**  
The MDTF-JSS was conceived as a short-term mechanism for multi-donor assistance to channel roughly US\$4 million over four years to support a relatively well defined set of technical assistance activities.  
While the MDTF-JSS itself was conceived as a mechanism for short-term support, it was also envisioned to support the development of a multi-year, cost-based Justice Sector Expenditure Program. This program would be financed through Serbia's and EU's budget resources and, if necessary, co-financed by other development partners.
- **Strong emphasis on overall coordination and a shared policy direction.**  
The MDTF-JSS correctly identified the need to ensure coordination and a shared vision among the various stakeholders in the justice sector. In order to address this need, it established the Partners' Forum as the institutional mechanism responsible for overall policy making and coordination under the leadership of the MoJ and the World Bank in its role as MDTF-JSS administrator. Moreover, a set of complementary governance mechanisms was also envisioned to facilitate management of the Policy Forum and the MDTF-JSS itself.
- **Critical weaknesses were correctly identified.**  
The MDTF-JSS adequately identified the need to strengthen institutional capacity, resource management, and aid coordination of the MoJ and the Ministry of Finance (MoF) as pre-requisites for further actions in the medium-term. Together with the strengthening of the legal and institutional environment, these were the primary areas of focus of the MDTF-JSS.
- **The MDTF-JSS adopted a pertinent problem-solving approach.**  
A set of relevant diagnostic studies was identified at the time of preparation to provide a preliminary assessment of key areas of intervention. Among others, these studies focused on the actual progress in the implementation, impact and gaps of the 2006-2013 NJRS, an expenditure and institutional review of the justice sector (JPEIR), capital budgeting, aid coordination and management, and an assessment of training needs.
- **Notably, the MDTF-JSS promoted an evidence-based approach, emphasizing the importance of data and monitoring and evaluation (M&E) systems to foster transparency and accountability.**  
The MDTF-JSS correctly identified the need to support the development and institutionalization of sound monitoring and evaluation (M&E) tools to track and report justice sector reform progress and impact. The top

priority assigned to these systems is underscored in the Project Results Framework, in which three of the four KPIs focus on the implementation of such system:

**KPI I** - Updated NJRS, Implementation Plan and NJRS Results Framework together provide a satisfactory basis for tracking and reporting progress on justice sector performance.

**KPI II** - Periodic stakeholder surveys show improved private sector and public ratings for justice sector efficiency and performance.

**KPI IV** - Strategic outreach and monitoring and evaluation (M&E) arrangements are institutionalized so as to track and report justice sector reform progress and impact.

It is important to note that a stronger focus on outcomes would have been desirable under the Results Framework, which focused only on loosely defined intermediate outcomes as KPIs.

## I. Identified Project Weaknesses

The original project design did not fully take into consideration the overall political economy aspects of the justice reform efforts, the institutional complexity of the Project, or the limited capacity of the MoJ.

- **Taking these factors into consideration would have resulted in a more focused, gradual approach aimed at addressing priority areas of intervention identified jointly with the MoJ.**

For example, the MoJ did not have the institutional capacity to execute the required broad range of interventions. Also, it did not have the capacity to produce the analytical work that the MDTF-JSS was expected to deliver.

Moreover, original project design did not anticipate the complex dynamics that would naturally arise with the creation of the High Judicial and Prosecutor's Councils, as these two bodies asserted their independence from the MoJ.

- **The Bank team did not appropriately convey to the MoJ the operational restrictions of a Bank-executed Trust Fund, under which the MoJ would not have executing powers.**

During the interviews conducted for the purpose of this report, it was inferred that there was a mismatch between the expectations and the real capacity of the MoJ in terms of its future ability to administer the MDTF-JSS funds.



From a technical standpoint, some of the modifications in the original design under the amendment resulted in a loss of focus and overall clarity.

- **The original Project components were modified, reflecting an administrative- rather than content-based perspective.**

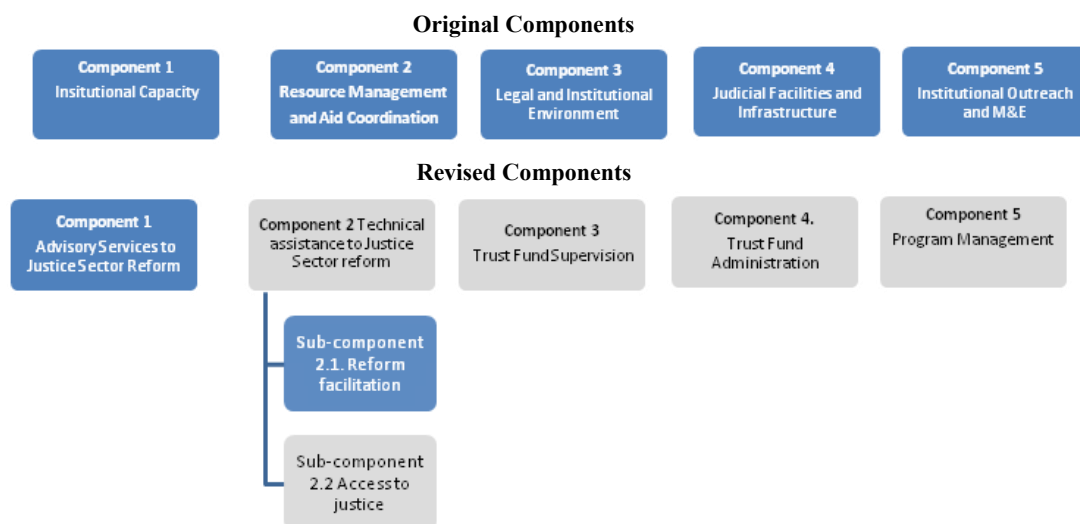
The Project originally had five components, each of them focusing on an important area of intervention. After the revision, there were also five components. The first two components represented the substantive activities under the five original components being executed by the Bank and the MoJ, respectively (see Figure 1).

In turn, MoJ-executed Component 2, was further divided into two sub-components: i) the first one included activities pertaining to the original five components; and ii) the second one included activities pertaining to the newly added access to justice activities.

The remaining three components represented sub-categories of project management that did not warrant self-standing components.

While the new component configuration served to track down specific flow of funds that facilitated reporting to the various donors and internal administration, it resulted in an overall loss of clarity, as the substantive components were “buried” into Component 1 and sub-component 2.1. They were also artificially split, with all the original MDFT-JSS activities being repeated in Component 1 and sub-component 2.1. These changes added unnecessary complexity to the Project.

**Figure 1. Original and Revised project Components**



**Note:** The areas in blue denote the ones corresponding to the original project components, which were encapsulated in their totality (and thus duplicated) in Component 1 and sub-component 2.1.

- **The original Results Framework virtually disappeared, which effectively resulted in the loss of the original KPIs and any meaningful way to assess the impact of the Project as a whole.**

After the amendment, the original Results Framework is only mentioned in the Annual Reports, without any attempt at measuring progress toward the four KPIs.

A new format—the so-called “Program Framework”—was adopted to report on the Project’s progress and impact. The new Program Framework incorporates the revised components but makes no reference to the original KPIs. Instead, “outcomes and results” are reported at the activity level –accounting up to more than fifty.

In the absence of an overarching Results Framework and related KPIs, there has been no tool to measure the impact of the Project. Moreover, the high disaggregation of the new Program Framework has negatively affected the organization of the components and the measurement of the outcomes and results, affecting the overall implementation of the MDTF-JSS.

**The Amendment gave the MoJ executive powers, bringing the MDTF-JSS in partial alignment with the MoJ’s original expectations.**

- **The amendment served to provide the MoJ with tangible support under the MDTF-JSS.**

While the MDTF-JSS had financed five long-term consultants to work within the MoJ before the amendment, the amendment provided tangible support by financing a set of MoJ-executed activities –in line with what the MoJ had originally expected.

In general, focusing on internal capacity building is considered to be a more effective capacity building strategy than establishing externally financed technical units such as the RFU. In the case of Serbia, the establishment of such a unit was justified because the justice sector was undergoing a period of fast and drastic reform-oriented activities that required an influx of more specialized technical resources to carry out activities in the short term. At the same time, the MoJ was not expected to increase the human resources due to budgetary constraints.

The MDTF-JSS low performance during the first year of implementation also contributed to generate exceptional support among donors for such option as a way to ensure the delivery of technical assistance. The amendment of the MDTF-JSS allowed the creation of an RFU unit within the MoJ, which served to strengthen the relationship between the MDTF Bank Team and the MoJ.

- **The addition of Access to Justice activities brought an important equity perspective into the MDTF-JSS.**

Prior to the amendment, the MDTF-JSS focused primarily on issues of efficiency and effectiveness of the justice system. In this context, the inclusion of the *Access to Justice* initiative – that is explicitly aimed at enhancing equity, inclusion, and accountability within Serbia’s justice system- was an important step toward introducing equity aspects into the MDTF-JSS. Access to Justice related activities are also an important EU accession requirement, which makes that working line fully aligned with the MDTF-JSS’s PDO.

Moreover, the inclusion of *Access to Justice* activities served the purpose of further coordinating donors’ aid, as it reflected the priorities of one of the donors –Sweden- and increased the overall amount of funds administered under the MDTF-JSS.

## 2.2 Factors Affecting Project Implementation

### I. Difficult implementation environment

- **Rapid pace of change.**

Serbia began accelerating its justice sector reform process in 2006, when the MoJ passed the National Judicial Reform Strategy setting the framework for justice sector reform for the period 2006-2013. In December 2008, the Parliament approved new laws introducing drastic changes to Serbia’s Judicial system. The package included: i) the Law on the reorganization of the Court; ii) the Law on Judges; iii) the Law on the High Judicial Council (HJC); iv) the Law on the State Prosecutorial Council (SPC); v) the Law on Seats and Territorial Jurisdiction of Courts and the Offices of Public Prosecutors Offices. These laws entered into force in January 2010. Other important new pieces of legislation include the Law on Amendments and Additions to the Law on Misdemeanors, as well as new criminal and civil procedure codes. New professions and institutions have also been created and put into operation, including notaries, private bailiffs, and the Judicial Academy.

Overall, Serbia’s justice system has undergone a drastic change in just a few years. While there is a broad consensus that the reforms were necessary, the speed at which these changes are being implemented is cause for concern.

- **Insufficient dialogue among key stakeholders.**

It appears to be a lack of fluid communications between the MoJ and the two Councils, professional associations (i.e. Judges and Prosecutors Associations) as well as with the Bar Association and other government departments (e.g., Ministry of Finance, Treasury, Ministry of Interior, the EU Integration Office, etc). The insufficient communications among key stakeholders add additional challenges to an already complex institutional environment.

- **Unclear assignment of responsibilities among the MoJ and other stakeholders in the justice sector.**

Another problem that affected implementation of the MDTF-JSS is a lack of clarity over the roles and responsibilities of stakeholders in the justice sector (e.g., MoJ, HJC, SPC and others). For example, while the Law on HJC and Law on SPC stipulated that these two judicial bodies will be responsible for budget planning starting January 2010, this is not yet happening. Likewise, the SPC and Republic Public Prosecutor Office have same responsibility over the appointment and advancement of public prosecutors. These ambiguities and overlapping responsibilities have delayed appointments and other decisions.

- **Turmoil within the Judiciary as backdrop.**

A reelection process for all judges and prosecutors was carried out during the second half of 2009 and took effect in January 2010. The process took place amid criticism from both the international community as well as from judges, prosecutors, and the Serbian public, due to its allegedly lack of transparency. Non-reelected judges and prosecutors to the Constitutional Court (CC) filed hundreds of appeals –which were upheld in mid-July 2012. The CC also ordered their reelection within 60 days of the court decision.

This incident has been a source of conflict for the past three years, permeating all discussions related to the justice sector and constituting a major barrier to the successful implementation of sector reforms. This issue was the main focus of attention of the MoJ, HJC and SPC during 2010 and 2011, taxing the already limited capacity of justice sector institutions and preventing them from dealing with other pressing issues.

- **Lack of incentives for individual stakeholders.**

In order to be sustainable in the long-run, all reforms initiated by either the MoJ or the Councils need to be appropriated by MoJ civil servants, judges and prosecutors. At the present time, it is unclear whether support for the reforms has trickled down to this level. For example, in the case of judges and prosecutors, there has been a generalized sense of tenure insecurity as a result of several factors such as (i) the controversy surrounding the reelection process, (ii) the three-year probationary period for newly appointed judges and prosecutors during which mandated annual performance assessments were not carried out, and (iii) the temporary opposed to permanent appointment of court presidents.

## II. Loss of initial momentum and strategic focus

- **Slow Project start up.**

The preparation of the MDTF-JSS succeeded in galvanizing strong donor support and generating great expectations among both donors and justice sector stakeholders. Unfortunately, the initial performance of the MDTF-JSS was slower than expected, resulting in a loss of momentum. As denoted by the low disbursements, there was almost no activity during 2009.

In light of this situation, both donors and the recipient suggested to shift some of the implementation responsibilities to the MoJ. The amendment process also proved to be very long. Its process within the Bank was completed on September 2010 and was not co-signed by the MoJ until November 2010.

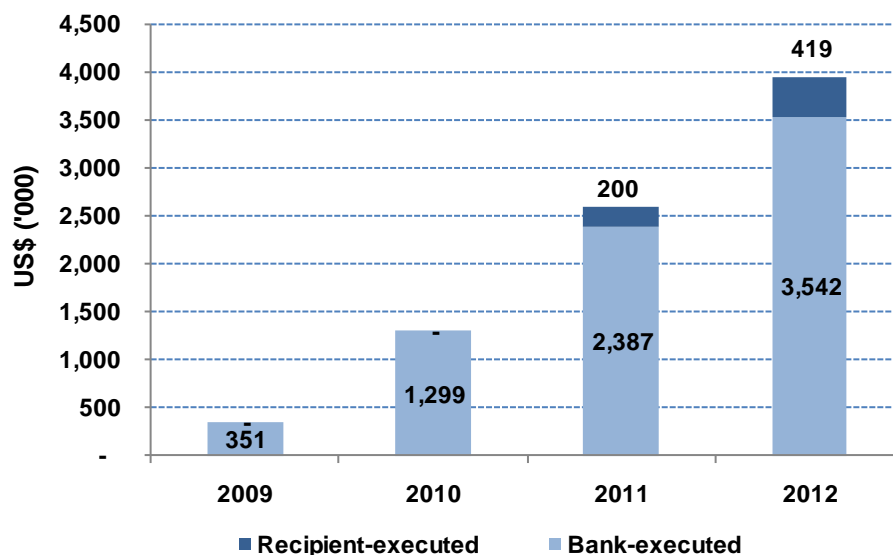
This situation resulted in a very low activity during the first two years of implementation, with only 18 percent of the MDTF-JSS having been disbursed by the end of 2010.

- **The pace of implementation speeded up significantly from 2010 onward.**

After 2010, the Bank Team reactivated the MDTF-JSS not only in terms of processing the amendment to give executing powers to the MoJ but also in delivering outputs. Several key set of activities were initiated, setting the MDTF-JSS gradually in motion.

As a result, MDTF-JSS disbursements built steadily from 2010 onward. By June 2012, close to US\$4 million were disbursed –representing roughly 50 percent of the total MDTF-JSS funds.

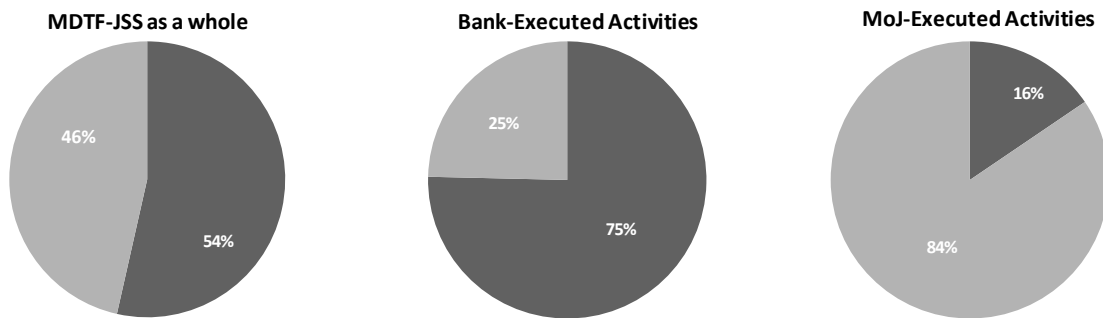
Figure 2. MDTF-JSS Annual Disbursements 2009-2012



- **Bank-executed disbursements are now progressing at a faster rate than MoJ-executed activities.**

As shown on Figure 3, the Bank has disbursed to date approximately 75 percent of the funds corresponding to Bank-executed activities, while the MoJ has disbursed only 18 percent of the MoJ-executed activities. The limited capacity of the RFU, together with the already discussed lack of focus of some of its activities in relation to EU accession process, appear to be the main explanation for the low performance of the MoJ disbursements.

Figure 3. Disbursements as a % of Total Financing



### III. Need for more sound sector knowledge

- The original diagnostic studies have not been completed.**  
Some important diagnostic studies identified at preparation have not been completed yet. This comprises several assessments on capital budgeting, aid coordination and management, and training. These assessments are particularly important as they focus on “inputs” for both Serbia’s judicial reform and the EU accession process.
- Structural mismatch between the response time under the MDTF-JSS and the urgent needs for support.**  
Some of the studies that were identified at preparation had been completed, including the evaluation of the progress made under the 2006-2013 NJRS and the JPEIR for the old court system. However, their completion took longer than originally expected —the 2006-2013 NJRS Progress Report was completed in August 2010 and the JPEIR, in September 2011. While the analytical work being produced under the Bank-executed activities is of methodological soundness, the time required for its completion and clearance is not compatible with the fast pace of the reform efforts, as the MoJ has been under strong pressure to deliver new laws quickly. As a result, those studies are not being used in the decision-making process.
- The impact of the reforms implemented so far has been partially assessed.**  
While Serbia’s justice system has undergone drastic changes, including the restructuring of the court system, the process has not been grounded on sound analytical work. Likewise, their impact has not been fully assessed.<sup>6</sup> There is a growing consensus among key stakeholders, particularly within the Councils, of the need to assess the impact of the reforms undertaken. The appointment of a new Minister of Justice might provide a timely window of opportunity to carry out an overall assessment of the impact of the reforms that have been implemented to date.

### IV. Implementation challenges

- Fractured, incremental approach toward project implementation.**  
While the MDTF-JSS is indeed supporting the implementation of important justice-related activities, their relative priority in relation to the PDO is uneven. There is a need to define priorities in conjunction with the main stakeholders.
- MDTF-JSS is being implemented without an effective Results Framework.**  
As mentioned earlier, the project specific PDOs and corresponding KPIs lost relevance after the amendment process. As a result, the MDTF-JSS is being implemented without a proper M&E system. The only ruler being used to assess progress on the implementation of individual outputs, which is done in a descriptive manner and without emphasis on their impact.
- Limited technical and institutional resources.**  
Limited technical and institutional capacity within the justice sector as a whole is a critical bottleneck not only for MDTF-JSS implementation but also for the implementation of the overall reform strategy and the day-to-day performance of the justice sector. Likewise, the technical and institutional capacity of the new Councils is still being developed.  
As such, capacity building was correctly identified as a core area of intervention under the MDTF-JSS. The establishment of the RFU provided the MoJ much needed in-house technical resources, but there is still much that

<sup>6</sup> There have been efforts to assess progress in the implementation of the NJRS, including a review conducted by the Council of Europe of the reforms implemented 2006-2010. Likewise, an assessment of the progress made so far was conducted in the process of drafting the new NJRS. However, the impact assessment of key reforms, such as the court restructuring, is still pending.

can be done to facilitate long-term capacity building in the MoJ, the judiciary and the MoF to design, coordinate, and implement justice sector reform and modernization programs.

- **Absorption capacity may be at its limit.**

The drastic, rapid change that has taken place within Serbia's justice system over the past few years seems to have exceeded the absorption capacity of both institutional and individual actors.

- **Disparities in regards to the calculations of co-financed contributions.**

Under the amendment, the Government of Serbia is responsible for co-financing 20 percent of the activities being executed by the MoJ. However, Serbia's internal audit agency has recently reported that the MoJ is contributing more than the agreed 20 percent. This issue might arise as a result of how the MoJ contribution is calculated. It has to be quickly resolved, as it is causing substantial concern within the MoJ.

## V. Organizational and coordination weaknesses

- **Mechanisms for policy development have not been fully utilized.**

While six meetings of the Partners' Forum (PF) have been held since 2008, it is not clear whether it has fully served its intended purpose as a provider of information for policy-making purposes in relation to the MDTF-JSS.

Moreover, the PF has been inactive for the past 12 months – since the responsibility for setting its agenda was transferred to the MoJ under the Project's amendment. In that regard, the controversy surrounding the reelection process of judges and prosecutors might have influenced the MoJ in deciding to put this mechanism "on-hold" despite the suggestions of the Bank team.

- **Lack of alignment between MoJ- and Bank-executed components.**

Since the creation of the "hybrid" approach under the 2010 amendment, the MDTF-JSS is being implemented along two parallel tracks. Although the activities executed by the MoJ and those executed by the World Bank are both related to justice sector reforms, they are not always fully coordinated. Enhancing this coordination is a prerequisite for the effective implementation of the MDTF-JSS, as illustrated by the successful implementation of those outputs in which such coordination did take place.

- **Dialogue with counterparts needs to include the newly formed councils.**

In 2008, two separate councils (the High Judicial Council and the State Prosecutorial Council) were created to regulate, appoint, evaluate, and discipline judges and prosecutors. The creation of the two councils shifted competencies from the MoJ and the Supreme Court of Cassation. Despite the fact that the three bodies are equally Bank counterparts, the communication between the two councils and the MoJ has been problematic – largely because of the controversy on the reelection of judges and prosecutors. In this context, the Bank team has shown a valuable asset in serving as a facilitator of indirect communications between the three bodies. This role as intermediary was helpful, for example, to resolve some disagreements on the content and wording of the NJRS strategy document.

## 2.3 Factors Expecting to Affect Future Project Implementation

### I. New coalition government

- **A new coalition government took power in July 2012.**

The new coalition has already stressed its commitment to move forward with the EU integration process that was set in motion by the preceding administrations – which were led by a coalition of parties that are now mainly in the opposition.

- **Change of management at the Ministry of Justice.**

The change of leadership at the MoJ will create a good environment to have an out-side opinion on the reforms implemented so far, their impact and potential shortcomings.

- **The new government's agenda with respect to both justice sector reform and EU accession will be key in determining the future role of the MDTF-JSS.**

If the new government considered both justice reform and the EU accession process as key priorities, the MDTF-JSS could be used as a valuable instrument. In such a scenario, the MDTF-JSS could play a central role in supporting the implementation of sector-wide justice reform activities with an EU-accession focus.

In an less favorable scenario – with justice sector not being a Government priority, the MDTF-JSS should identify more modest pockets of opportunity where tangible impact is feasible given the political economy situation.

## II. EU to join the MDTF-JJ

- **The EU is expected to join the MDTF-JSS with an addition contribution of EURO 2.0 million within the next two months.**

The entry of the EU as a new MDTF-JSS donor is expected to have a positive impact on the Project, not only because of the extra financial support but also because of the key importance of justice sector in Serbia's accession process.
- **The EU has shown its willingness to participate in the MDTF-JSS also at the content level.**

It is anticipated that the MDTF-JSS will provide financial support for activities under the EU Project Fiche for the Justice Sector in Serbia. The Project Fiche intends to provide a sharper focus on issues that are particularly relevant within the EU accession process, such as backlogs.

Some of the activities contained in the Fiche include: (i) the preparation of a roadmap of projects to be used for planning and implementation of future initiatives in the Serbian Justice Sector; (ii) development of a SWAp (sector-wide approach) methodology to be used in planning Justice Sector reform at the central level; (iii) support to the newly introduced judicial services (e.g., notary and bailiff services) in accordance with best practices; (iv) updating of the case management system; (v) actions to reduce inflow of minor cases to the courts within the current legal framework; (vi) development of justice sector performance indicators for judges and prosecutors; and (vii) development of data collection mechanism to ultimately enhance judiciary performance and conduct analytical work.
- **The additional funds will trigger more supervision procedures from the Bank.**

With the EU additional funds, total funds will be over \$5 million for Recipient-executed activities. As a result, the MDTF-JSS will be subject to Investment Lending rules rather than Trust Fund rules, which for example makes mandatory the regular completion of Implementation Status Reports (ISRs), or the use of the portal for undertaking restructuring processes.

## PART III - Assessment of Outcomes and Progress

### 3.1 Relevance of Objectives, Design and Implementation

As mentioned earlier, the focus on the MDTF-JSS is highly relevant, as the justice sector is of particular importance in Serbia's EU accession process. The newly appointed government has expressed its intention to accelerate the process of EU membership that was initiated by the preceding administration. All key stakeholders within the justice sector have underscored the importance of delivering sound technical assistance during this critical period. Moreover, donors have expressed their commitment to continue their support to Serbia's EU accession process in relation to justice issues.

#### I. Relevance of MDTF-JSS for the recipient

While the focus of the MDTF-JSS on justice issues is highly relevant for development in general, in the case of Serbia their relevance is further heightened given the difficult economic situation and the EU accession process.

- **Justice issues are highly relevant in the process of EU negotiations.**

It is anticipated that, given their importance, EU *acquis*' chapters focusing on justice issues—i.e., Chapter 23: Judiciary and fundamental rights; and Chapter 24: Justice, freedom and security—are going to be the first ones to open and the last ones to close during the EU accession negotiations.
- **Justice issues are highly relevant to development in general.**

There is ample evidence that indicates that weak a weak legal environment constrains economic growth and hinders the sustainability of development efforts. Likewise, impartial justice systems are necessary to advance equality and allow a voice for the poor, thereby making a fair and functioning legal system an element of a comprehensive developmental framework.<sup>7</sup>
- **Justice issues acquire particular relevance given Serbia's difficult economic situation.**

The International Finance Corporation's *Doing Business* initiative has found that streamlined court procedures and faster contract enforcement are associated with a better environment for business.<sup>8</sup> Likewise, the Business Environment and Enterprise Performance Survey (BEEPS)—developed jointly by the World Bank and the

<sup>7</sup>World Bank (2002), *Legal and Judicial Reform in Europe and Central Asia*, Operations Evaluation Department (OED), The World Bank. Washington, D.C.

<sup>8</sup>Source: *Doing Business*, World Bank.

European Bank for Reconstruction and Development—conducted surveys of over 11,000 firms in 29 countries in the Europe and Central Asia region for the fourth time in 2008.<sup>9</sup> The findings of these surveys indicate that firms identify crime, complex regulations, and judicial underperformance as critical obstacles to their effective functioning.

With 24 percent unemployment and an expected annual economic growth of 0.5 percent for 2012, Serbia is under difficult economic circumstances.<sup>10</sup> While improving the overall business climate is key for its economic recovery, the performance of *Doing Business* indicators for Serbia has deteriorated in 2011 and 2012. Figure 4 shows the overall "Ease of Doing Business" ranking for Serbia relative to other 183 economies. The comparison between 2011 and 2012 shows that Serbia's ease of doing business decreased from ranking 88 to 92. In particular, it is important to note that the three justice-related indicators (i.e., protecting investors, enforcing contracts, and resolving insolvency) show a negative change in rating between 2011 and 2012, decreasing by 5 to 22 positions in the overall index.<sup>11</sup>

Figure 4. Serbia's Ease of Doing Business 2011-2012



## II. Pertinence of the MDTF-JSS for World Bank involvement

World Bank involvement was highly justified and had the potential to provide a substantial added value.

- Justice issues are highly relevant to the World Bank's institutional mission.**  
 The World Bank's overarching mission is to reduce poverty. In that sense, a functioning legal and judicial system is critical not only as an end in itself, but also as a mean to achieve other development objectives.
- The Bank has substantial know-how on justice issues.**  
 Over the past two decades, the Bank has promoted adherence to the rule of law as a fundamental element of economic development and poverty reduction. Between 1994 and 2011, the Bank has invested \$850 million in 36 stand-alone justice reform projects. In addition, a significant portion of the Bank's work on justice reform takes the form of individual components within other development projects. Over the past two decades, the Bank has financed 388 investment lending projects having at least 10 percent of expenditure allocated to components related to either justice or rule of law development. Furthermore, lending activities are complemented by grants

<sup>9</sup><http://www.ebrd.com/pages/research/economics/data/beeps.shtml>

<sup>10</sup>International Monetary Fund (2012), World Economic Outlook Database, April 2012.

<sup>11</sup>Source: Doing Business, World Bank.

and research activities supporting analytical and advisory work in relation to justice issues.

One of the Bank's competitive advantages in the justice sector includes its multidisciplinary approach, combining expertise from various disciplines including lawyers, economists, social scientists, and financial management experts.<sup>12</sup> In addition, it contributes experiences from justice-related initiatives undertaken regional- and world-wide, as the Bank has supported several justice initiatives in Eastern European countries that have become EU members in the past decade –including Bulgaria, Romania, Latvia, and the Slovak Republic.

▪ **The Bank has a natural advantage in the coordination of multi-donor initiatives.**

The World Bank has a strong record of coordinating the action of multiple donors while providing implementation support.

### 3.2 Achievement of Project Development Objectives

While the MDTF-JSS has supported a series of activities of great relevance in the context of justice sector reform, it is unclear how effectively it has contributed to setting the foundations of Serbia's EU accession process. As earlier mentioned, the lack of focus has hindered the potential impact of the various outputs supported under the MDTF-JSS. Progress toward the achievement of the MDTF-JSS' PDOs can be summarized as follows:

#### PDO 1 – Strengthening institutional capacity

**KPI I** -Updated NJRS, Implementation Plan and NJRS Results Framework provide a satisfactory basis for tracking and reporting progress on justice sector performance.

- *PDO Achievement:* An assessment of the progress in the implementation of the 2006-2013 NJRS was conducted by the Council of Europe with MDTF-JSS financing. It identified progresses and pending tasks, as well as provided specific recommendations for future action. These suggestions were incorporated during the preparation of the 2012-2017 NJRS, which was done primarily with financial MDTF-JSS support. A sector-wide conceptual framework has been agreed among all relevant stakeholders within the justice sector. This conceptual framework also incorporates those reforms and actions that are to be implemented in the framework of the EU accession process. However, the preparation of an Implementation Plan and the NJRS Results Framework is still pending.

#### PDO 2 - Improving justice sector performance

---

<sup>12</sup> World Bank, (2012), *Initiatives in Justice Reform 1992-2012*, Report No. 70729, Justice Reform Practice Group, Legal Vice Presidency, The World Bank, Washington, D.C.



**KPI II**- Periodic stakeholder surveys show improved private sector and public ratings for justice sector efficiency and performance.

- *PDO Achievement*: For the purpose of this report, no stakeholder surveys were available. Using perception as a proxy, the World Economic Forum’s Competitive Index shows that the image of Serbia judicial system seems to have deteriorated since 2009.

**Table 1. Serbia’s ranking in WEF’s Competitiveness Index**

(out of 139 countries)

	2008-09	2009-10	2010-11	2011-12
Judicial independence	106	110	124	128
Effectiveness of legal framework	102			
In settling legal disputes		124	132	137
In challenging regulation		115	125	127

*Source*: World Economic Forum (2009-2012)

### PDO 3 - Increasing aid effectiveness

**KPI III** - Increasing share of justice sector Official Development Assistance (ODA) is on-budget.

- *PDO Achievement*: While there was no change in the share of on-budget ODA *per se*, the MDTF-JSS has played a central role in coordinating donor assistance on justice sector issues. In this regard, the Bank team has been highly proactive, inviting non-MDTF-JSS donors (e.g., USAid, EU) and the MoJ to join the Management Committee meetings as a way to increase coordination. There has also been an implicit division of labor between the MDTF-JSS and other donors, mainly USAID. The additional funds pledged to the MDTF-JSS by various donors attest to its success, which probably will be even more substantial once the EU joins the MDTF-JSS.

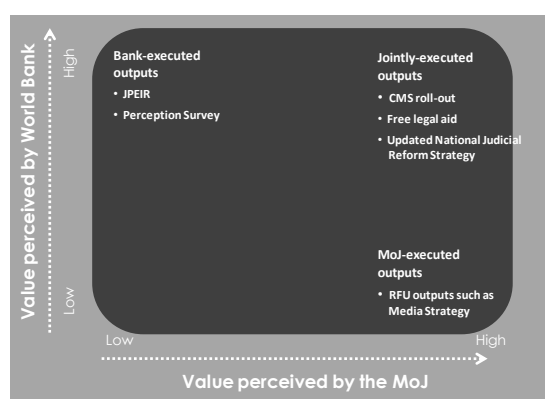
**KPI IV** - Strategic outreach and monitoring and evaluation (M&E) arrangements are institutionalized so as to track and report justice sector reform progress and impact.

- *PDO Achievement*: The lack of an M&E culture is a cross-cutting issue in Serbia, affecting not just the justice sector but the public sector as a whole. While more data is now available as a result of the implementation of the Court Management System, some issues remain a challenge: (i) the data is not integrated into an M&E system; (ii) there is no agreement about the key stakeholders over their validity; (iii) nor it is efficiently used for analysis and decision making.

### 3.3 Progress in Implementation of Individual Components

The MDTF-JSS has supported a number of activities/outputs with various levels of impact. The most successful ones have been those where there has been cooperation between the World Bank and the MoJ (see Figure 5). The resulting outputs are both technically sound and are considered highly relevant by the MoJ. However, there are concerns that, while several of the activities/outputs produced by the Bank are highly relevant to justice sector reform and the accession process, the MoJ may not fully perceive their value and, as a result, might not be using them as inputs to further sector reforms. In addition, while the activities being carried out by the MoJ are clearly in line with the MoJ priorities, their relevance is uneven in relation to the MDTF-JSS objectives.

**Figure 5. Perceived value of outputs generated under the MDTF-JSS by executing entity**



**Note:** The “perceived values” are, of course, not intended as an exact measurement. They represent just a loose approximation of what was reported during interviews by the various actors.

A fully fledged assessment of the outputs produced under each of the original components, including their relevance with respect to the MDTF-JSS’s PDO and overall impact is still pending.

### Most significant MDTF-JSS outputs in terms of impact

- **Case Management System (CMS)**  
 The MDTF-JSS has supported the training to end users that participated in the roll out of the CMS. By January 2012, this system was in use in all commercial, basic and higher courts throughout the country. As a result of its successful implementation, data is now available on case management at the court level, including the numbers of cases, processing times, backlogs, etc. Likewise, there is also an online portal where users can track down individual cases. Another substantial transparency enhancement resulting from the implementation of the CMS has been the randomized assignation of judges to individual cases. In addition to the enhanced transparency, the CMS data could provide the foundation for the functional analysis of the court system as a first step toward its optimization and to provide the basis for meaningful, data-based performance of the courts and the judges.
- **Development of the 2012-2017 NJRS**  
 The World Bank has been highly instrumental in facilitating the development of the National Judicial Reform Strategy. This strategy builds upon the previous one, which was evaluated by the Council of Europe with support from the Project. There is substantial level of support among the various stakeholders for the new Strategy. However, as mentioned earlier, there are some pending issues such as the development of an Implementation Plan, a Results Framework, an M&E system, as well as some implementation arrangements. Likewise, it is yet to be fully vetted, approved, and formally adopted.
- **Access to Justice**  
 The MDTF-JSS supported the drafting of legislation aimed at ensuring access to justice for disadvantaged population groups. The process used to draft the new legislation has been sound, participatory, and transparent. Similar legislations from other Balkan countries were presented to the working group and a study tour to the Netherlands was organized in order to study the country’s free legal aid system. In addition, there was a highly participatory discussion regarding critical issues such as potential providers and overseeing mechanisms. The process used to prepare this legislation example can serve as a model for future legislation and can be instrumental in encouraging a greater level of confidence and public trust in the judiciary. A proposed law has been drafted and is yet to be presented to the National Assembly. The Bank Team has offered to perform a cost analysis of the draft law. The success of the Access to Justice initiative was due partly from the strong support and attention it received from one of the donors (Sweden).
- **Other outputs**  
 There are several additional products, which although not yet finalized, are expected to be both sound and relevant for the reform of justice sector in general and the EU accession process in particular. These include the ICT Strategy that is being prepared by the MoJ to provide a strategic framework for future ICT development within the MoJ and the justice sector. In addition, the review of the newly adopted Criminal Code Process is anticipated to be highly useful to the MoJ, the High Judicial Council, the State Prosecutorial Council, the Republic Public Prosecutor’s Office, the police, and other actors that are not yet fully familiarized with the new procedures. They have already been presented to the Judicial Academy to be incorporated into the training of judges and prosecutors.

### Bank-executed outputs

In addition to the activities related to the most successful outputs described above, other areas of focus of the Bank-executed activities include:

- **Judicial Public Expenditure and Institutional Review (JPEIR)**

The objective of the JPEIR was to contribute to the strengthening of the performance of the judiciary in Serbia through more efficient and effective use of financial and human resources. Accordingly, the review aimed to provide input to the design of the next phase of reform of the Serbian judiciary and thereby facilitate Serbia's EU accession process. The audience for the review was a group of key actors driving justice sector reforms, including elected decision makers, officials from the MoJ and the High Judicial Council, state prosecutors, civil society representatives, and international partners. Unfortunately, while the JPEIR was completed in September 2011 and the results were shared with the MoJ, the MoJ has not yet authorized its dissemination.

- **Public Perception Survey on the Judiciary**

The Public Perception Survey on the Judiciary was conducted by a reputable local polling consultant firm and constituted a major logistical undertaking. However, the results have not been widely disseminated. Furthermore, it appears that it was not considered as an input in the preparation of the MoJ's communication strategy, which was one of the MDTF-JSS activities executed under the responsibility of the MoJ.

### MoJ-executed outputs

While the activities being carried out by the MoJ are in line with the MoJ priorities, their relevance is uneven in relation to the MDTF-JSS objectives. These activities rely mainly on short-term consultants financed by the MDTF-JSS who are part of the Reform Facilitation Unit (RFU) under the direct supervision of the MoJ.

In addition to the activities related to the most successful outputs earlier described, other highly relevant MoJ-executed activities include the coordination of international cooperation regarding organized crime and anti-corruption, the drafting of free legal aid legislation, and the harmonization of Serbian and EU legislation.

Other activities, however, might be less relevant in relation to the MDTF-JSS objectives and more in line with day-to-day operational needs of the MoJ, such as conference preparation and grant writing. Furthermore, well-defined Terms of Reference that are fully aligned to the MDTF-JSS and enhanced reporting mechanisms can help optimize the RFU resources.

It would be important to disseminate more actively among other line ministries, donors, key stakeholders within the justice sector and society at large the specific outputs that are being executed by the MoJ and the RFU, as well as their impact. For example, while the implementation of the CMS has had a significant impact in terms of overall transparency and efficiency gains, this experience could be more widely disseminated outside the MoJ.

In addition, the Project expected that the RFU would play an important role in ensuring the alignment of World Bank-executed activities with the MoJ priorities, including helping disseminate the JPEIR and the Perception Survey within the MoJ. So far, however, the RFU has not acted as a coordinator.

## Part IV –Risk Assessment

As identified during the Project appraisal, there are several factors that pose potential operational risks for the implementation of the Project. Some of them are beyond the MDTF-JSS control, but some others can be mitigated within the Project, such as some technical and coordination issues. The risks can be summarized as follows:

Factors that might prevent the attainment of MDTF-JSS objectives	Rating
<b>International level factors</b> <ul style="list-style-type: none"><li>• EU accession has been a critical driver fueling justice sector reform in Serbia.</li><li>• The current crisis in the Euro Zone might lessen Serbia's incentives to join the EU and, consequently, result in a loss of momentum in regards to justice sector reform.</li></ul>	S
<b>Country-level factors</b> <ul style="list-style-type: none"><li>• A new coalition government assumed Serbia's leadership on July 2012. The new government has expressed its commitment to pursue Serbia's EU membership and to accelerate the process of European integration. However, the final position of the new Government on those issues is still to be confirmed.</li><li>• Fiscal constraints are expected to continue to affect budgetary allocations to the MoJ and, thus, further erode its already limited human resources. As a consequence of budgetary constraints, the</li></ul>	S

Factors that might prevent the attainment of MDTF-JSS objectives	Rating
Government has request to increase MDTF-JSS financing from 80 to 100 percent, decreasing the MoJ contribution to zero.	
<p><b>Sector-level governance</b></p> <ul style="list-style-type: none"> <li>• So far, the championship within the justice sector to move forward the reform of the justice sector has not been constant. The drive for sector reforms has also been affected by problems in institutional dialogue and coordination between key stakeholders.</li> <li>• The Partners’ Forum, which originally produced meaningful inputs to the MDTF-JSS strategic direction, has been inactive for the past year. However, it has to be noted that recently there have been signs that it might resume its activities in the coming months.</li> <li>• The process surrounding the reelection of judges and prosecutors generated instability within the sector and, subsequently, reduced the incentives for reform. This situation, together with other factors such the temporary designation of court presidents, might have contributed to the lack of ownership among individual actors.</li> </ul>	<b>H</b>
<p><b>Technical and institutional capacity</b></p> <ul style="list-style-type: none"> <li>• Limited capacity remains a general problem for Serbia’s public sector, affecting the overall capacity to coordinate, prioritize, sequence, resource and implements a multi-year sector strategy. The technical and institutional capacity within the justice sector may have been exceeded as a result of the numerous, rapidly implemented changes that have taken place in the legal and organizational framework within the past two years.</li> <li>• The reforms that have been implemented so far have not been grounded on solid sector knowledge. For example, an impact assessment has not yet been completed. In addition, there is a suboptimal use of the existing information systems as a tool to monitor the impact of the reforms and the overall performance of the sector.</li> </ul>	<b>H</b>
<p><b>Overall coordination</b></p> <ul style="list-style-type: none"> <li>• The ability of the EU, other donors and the World Bank to influence the policy agenda and prioritization may be limited. However, the entry of the EU as a MDTF-JSS donor might increase the incentives of the Serbian government to reinforce its engagement with the Project.</li> </ul>	<b>H</b>
<b>Overall Risk Rating</b>	<b>H</b>

*Note:* The four-point risk rating system is as follows: Low (L), Moderate (M), Substantial (S), and High (H).

## **PART V - Conclusions and Recommendations for the Project**

Based on the lessons learned worldwide in Bank-supported justice initiatives and the implementation experience during the first half of the life of the Project, several recommendations are offered to enhance its effectiveness.

### I. Continue the engagement under the MDTF-JSS

It is important to continue to move forward by factoring in that justice initiatives are, by nature, complex, long term and high-risk.

- **Implementation risks are high.**  
The MDTF-JSS implementation environment is very complex and risks of implementation obstacles are substantive.
- **Despite the potential risks, the endeavor is worthwhile.**  
The focus of the MDTF-JSS on Serbia’s justice issues is highly relevant not just in the context of EU accession, but also for the country’s overall development.
- **Major actors have reiterated their commitment.**  
The new government has expressed its commitment to accelerating EU membership. Also, all donors have underscored the importance of delivering sound technical assistance to support Serbia’s EU accession process in relation to justice issues.  
  
World Bank involvement is highly justified in relation to its own mission and has the potential to provide a substantial value-added.

### II. The future of the MDTF-JSS is largely going to be determined by the new government

The new government's agenda with respect to both justice sector reform and EU accession will be a key in determining the future role of the MDTF-JSS. There are two main potential scenarios:

- **Favorable scenario.**  
The new government might place a high priority to both justice reform and the EU accession process and, as a result, the MDTF-JSS might be regarded as a valuable instrument to support both priorities. In such scenario, the MDTF-JSS could play a central role in supporting the implementation of sector-wide justice reform activities with an EU-accession focus.
- **Less favorable scenario.**  
In the eventuality that there is no substantial improvement in the current implementation environment, the MDTF-JSS should then identify more modest windows of opportunity where tangible progresses are more likely to be achieved.

### III. Adopt an strategic, problem-solving approach

- **Once the EU joins the MDTF-JSS, there is an opportunity to sharpen the focus on EU-accession and to adopt an overall strategy that is consistent with the new government's level of support.**  
It is important to put forward a sound strategy for short-term support fully consistent with the Project's PDOs. This strategy needs to reflect the government's level of support and EU priorities.  
In this regard, it is more recommendable to adjust the MDTF-JSS rather than adding EU priority activities to the existing list of outputs programmed under the Project. In view of the limited resources (both finance- and time-wise) as well as the limited technical and institutional capacity within Serbia's justice sector, the ultimate success of the MDTF-JSS depends on the effective identification of strategic priorities that can be adequately addressed within the Project.

### IV. Ground MDTF-JSS support on sound sector knowledge and political analysis

- **There is an urgent need for the rapid delivery of analytical work.**  
Analytical inputs need to be delivered in an expedient fashion in a manner that can be used in the decision-making process. In view of these constraints, it is proposed to carry out a "Rapid Assessment and Action Plan" (RAAP) to identify priority areas for improvement within Serbia's justice system with the objective of enhancing its overall performance. The RAAP methodology, which is being successfully implemented in Latin America at the sub-national level, can provide a much needed balance between technical soundness and expediency that is required to move forward with the MDTF-JSS in particular and the NJRS in general.  
Likewise, it is important that results from the JPEIR are disseminated among key stakeholders. The possibility of applying the similar JPEIR methodology to the new court system should also be taken into consideration, as it would allow a comparison between the "before" and "after" at the aggregate level.  
Likewise, the Perception Survey has established a sound methodology and a baseline to measure the perceptions of the various stakeholders on the performance of Serbia's justice sector. It could be interesting to give continuity to this task as a way to track the evolution of perceptions over time. However, this decision should be ultimately be subject of a cost-benefit analysis, since there are other perception surveys available with a similar scope.
- **Explore alternative manners to deliver technical assistance.**  
It is important to identify alternative mechanisms for need-based technical assistance that balance methodological soundness with expedience. For example, retainers with consultant firms could be set in place to conduct *ex-ante* impact analysis of proposed legislations, which, although mandated by law, is not always done due to lack of technical resources within the MoJ.
- **Explore alternative ways to promote the findings of analytical work.**  
It is also recommendable to find other mechanisms to disseminate preliminary findings from the MDTF-JSS supported analytical work prior to the MoJ's final approval, such as white papers.
- **While technical aspects are a necessary input, they are not sufficient.**  
It is important to take into consideration the political economy aspects of the reform when defining both strategic and operational aspects of MDTF-JSS future implementation.

### V. There is an urgent need to develop reliable data and effective M&E systems

Adopting an evidence-based, data-driven approach is critical for the effectiveness of the MDFT-JSS, including:

- **Fine-tune or redefine the Project Results Framework.**

It is important to focus on PDO-related outcomes rather than on outputs at the activity level. In this regard, the original Results Framework provides a good starting point. However, it can be improved by identifying a set of quantifiable intermediate outcomes. In addition, it might need to be updated to reflect the strategy to be agreed with the incoming authorities and the EU. For example, it would be positive to involve key stakeholders (e.g., MoJ, EU, the two Councils), in the redefinition of the MDTF-JSS Results Framework and the identification of KPIs as a way to enhance ownership.

- **Monitor progress.**  
An M&E system needs to be established as a way to monitor progress and to early identify potential obstacles.
- **Given the limited resources and the magnitude of the Project objectives, it is critical to avoid duplications and coordinate efforts.**  
For example, it is necessary to rebuild the Results Framework using indicators and targets that are included in the NJSR Action Plan. Likewise, the MDTF-JSS M&E should build upon that of the NJRS.
- **Promote an evaluation culture.**  
There is consensus among key stakeholders within the justice sector as well as the donor community on the need to assess the impact of the reforms in order to identify areas of potential improvement.

## VI Coordination and capacity aspects need to be addressed

- **A strong field presence is a necessary but not a sufficient condition.**  
The slow performance of the Project at the beginning denotes the importance of ensuring close coordination between the field- and the DC-based teams.
- **The coordination gap between the Bank- and MoJ-executed components needs to be bridged.**  
For the MDTF-JSS to make a meaningful contribution, coordination between the two executing entities needs to be improved. The successful experiences in Access to Justice and development of the new NJRS are good illustrations of how effective coordination can be achieved by providing customized technical assistance.
- **It is also important to enhance the effectiveness of the Reform Facilitation Unit (RFU).**  
The RFU has the potential to be a valuable asset, as it provides much needed technical resources to the MoJ during a particular demanding period. Enhanced Terms of Reference to ensure that RFU staff focuses on reform-related activities that are aligned to the priorities identified under the MDTF-JSS rather than day-to-day, as well as regular reporting of activities and outcomes to the MDTF-JSS Management Committee could greatly improve its effectiveness and give visibility to its contribution.
- **Long-term capacity building of MoJ staff needs to be a top priority.**  
While the RFU can help fill the existing technical gap within the MoJ, the ultimate challenge is to build a critical mass of qualified civil servants within the MoJ. Budgetary restrictions, as well as the lack of a comprehensive HR strategy, are challenges to be addressed.

## VII. Governance mechanisms need to be revisited

- **Governance mechanisms envisioned for the Project, in particular the Partners' Forum, have to be either re-activated or re-designed.**  
If they are re-activated, it is also important to clarify who is responsible for calling these meetings. If that responsibility relies on the client, a stronger client commitment needs to be ensured. Also, it would be important to include in that body a representation of prosecutors and judges.
- **The MDTF-JSS has to serve the needs of all key stakeholders, including the High Judicial and State Prosecutor Councils.**  
The Bank has to ensure a sustained dialogue not just with the MoJ but with the two Councils as well. In an eventual favorable environment, their status as key partners would be reflected in the institutional arrangements and governance mechanisms. In an eventual less favorable scenario, the Bank should continue its "shuttle diplomacy" role to improve communication between the main justice stakeholders by acting as an intermediary between the parties and finding areas for gradual consensus.

## VIII. The approach to be taken by the MDTF-JSS should reflect actual government support

### The MDTF-JSS in the eventuality of a favorable scenario

**In the eventuality of a favorable scenario for the Project, the MDTF-JSS could play a central role in supporting the implementation of sector-wide justice reform activities with an EU-accession focus.**

- **The 2012-2017 NJRS provides an adequate framework for sector-wide MDTF-JSS support**  
The NJRS has a sector-wide approach that embeds EU-accession related activities and, as such, is consistent with the approach being suggested by the EU for all sectors. It has adequate ownership on the part of all key stakeholders in the justice sector and is supported by the donors.

It should be noted, however, that as it currently stands, the NJRS 2012-2017 could more adequately be defined as a strategic framework. It could further develop its operationalization, including the preparation of an NJRS Action Plan (comprising a well-defined set of priorities, costing analysis, implementation timetable), a Results Framework (i.e., indicators and targets) and a supporting M&E system, as well as the assignment of implementation responsibilities among the various actors.

- **Implementation arrangements suggested for the 2012-2017 NJRS**

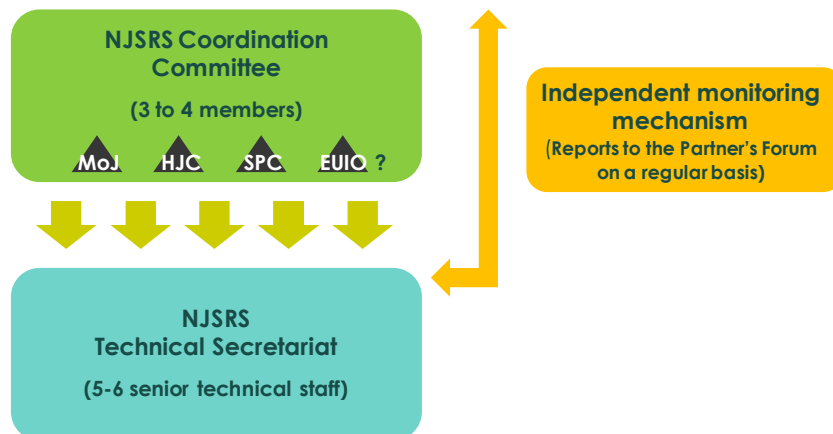
The successful implementation of the NJRS Action Plan, and consequently that of the MDTF-JSS, will ultimately depend to the establishment of effective implementation and monitoring mechanisms. The complex institutional relationship between the MoJ and the two independent Councils requires an approach in which all three entities are equally represented. The implementation arrangements proposed are as follows:

NJRS Coordinating Committee - This coordinating committee would be responsible for overall coordination and oversight of the implementation of the NJRS Action Plan. It would be self-standing (i.e., outside the orbit of the MoJ and the two Councils), and constituted by one representative from each of the key institutions (i.e., the MoJ, the High Judicial Council and the State Prosecutorial Council, and perhaps even the Supreme Court of Cassation and the Republic Prosecutor's Office). Each institution would nominate a high-ranking public servant and the other two institutions will speak for or against the appointment. The MDTF-JSS Management Committee could act as an arbiter in case that no agreement is reached. It would be desirable to include a fourth member from the EU Integration Office. Also, it could also be considered to include a representative from the MoF to coordinate aspects related to the transfer of budget responsibilities to the Councils

NJRS Technical Secretariat- This technical body would provide technical support to the NJRS Coordinating Committee, being responsible for the technical aspects of implementation. It would consist of five to six full-time senior MoJ staff or consultants, each of them being focused on the implementation of one of the NJRS pillars. They would be responsible, among other things, for establishing and providing technical support to working groups responsible for specific activities, fostering their representativeness and broad participation. In addition, the NJRS would be responsible for preparing the Partners' Forum meetings.

Independent Monitoring Mechanism -It is recommended that independent monitoring on the progress of the NJRS Action Plan be conducted regularly, reporting results to the Partners' Forum and, if possible, to the Prime Minister.

Figure 6. Proposed NJRS implementation arrangements



#### The MDTF-JSS in the eventuality of a less favorable environment

##### **It is important to ensure results even in a potentially more problematic implementation environment.**

As discussed earlier, the current implementation environment is particularly difficult and complex. While a window of opportunity might open with the appointment of a new Justice Minister and the initiation of Serbia's accession process in the coming months, it is also possible that the current conditions remain largely unchanged.

If that is the case, it is important that, despite unfavorable implementation conditions, tangible results are still achieved in order to both avoid reputational damage and pave the road for future reforms. In this regard, it is recommended to identify areas of opportunities that meet the following criteria:

- i) high recipient ownership;

- ii) high implementation capacity; and
- iii) that are largely technical with low political implications.

**There appear to be several potential “windows of opportunity” in areas identified as critical by other evaluation studies.** More importantly, some of them are already included in the EU’s *Project Fiche* and will be supported under the MDTF-JSS once the EU joins as a donor. Some of these “windows” include:

- Strengthening of human resources

There is an opportunity to support the expansion of training through the Judicial Academy, which has a demonstrated capacity to provide training throughout the country.

Some of the potential topics may include court administration and management, budget planning and execution, EU law and legal principles, and the new criminal and civil procedure codes.

As pointed out by the lessons learned, it is particularly important to move beyond the traditional focus on the training of justice sector staff, and pay greater attention to the challenge of supporting a cadre of people who have the authority and capability to lead reforms. This may require supporting change management training for those in leadership positions at justice institutions.

Providing technical support to the professional associations of bailiffs and notaries, as well as offering training to its members, could contribute to a more efficient judiciary.

- Core public sector management

Core public sector management expertise, like budgeting, financial management, and human resources are critical for improving the performance of any state institution.

Strengthening resource management is particularly important in the case of the newly formed Councils in order to assure that they are going to be capable to manage their resources effectively. For example, budget management is a new area of responsibility where there is currently little institutional expertise. Providing technical assistance to the two councils (particularly the State Prosecutor Council) on budget planning and execution would be a high-impact, well defined area of intervention.

Core public sector management expertise can also be applied to the court system with the objective of reducing backlogs. From the perspective of process reengineering, enhancing the efficiency of the case management is no different than enhancing that of the budget process.

- Data-driven M&E systems

As correctly identified at preparation, EU accession negotiations will require having data-driven information, not just to show current judicial performance but to track improvements and monitor potential performance targets.

While more data is now available as a result of the implementation of the CMS, there is still substantial room for improvement in ensuring data quality. Moreover, there is great potential to use these data to enhance the overall performance of the court system.

Likewise, in light of the controversy surrounding the reelection of judges and prosecutors, introducing performance data and meritocratic principles into budgeting and human resources management can help to enhance not just efficiency but also accountability and transparency in the sector.

## PART VI – Lessons Learned

Several lessons can be learned from the implementation of the MDTF-JSS, which closely reflect those learned in Bank-supported justice initiatives worldwide<sup>13</sup>. The main lessons learned can be summarized as follows:

### 1. Avoid unnecessary frustration by keeping in mind that justice initiatives are, by nature, complex, long term and risky.

- *The overall outcomes of the Bank’s justice reform efforts have been uneven, as it happened to other actors engaged in justice reform.* Multilateral and bilateral donors, universities, foundations, bar associations, and other nonprofit entities, do report successes but also underscore the many challenges facing justice reform efforts,

<sup>13</sup> See, for example, World Bank, (2012), *Initiatives in Justice Reform 1992-2012*, Report No. 70729, Justice Reform Practice Group, Legal Vice Presidency, The World Bank, Washington, D.C; World Bank (2012), *The World Bank: New Directions in Justice Reform, A companion piece to the updated strategy and implementation plan on strengthening governance, tackling corruption*, Report No. 70640, May 2012, The World Bank. Washington, D.C.; World Bank (2002), *Legal and Judicial Reform in Europe and Central Asia*, Operations Evaluation Department (OED), The World Bank. Washington, D.C.



- ***The path toward substantive progress in justice initiatives is often uncertain, fraught with conflict, and subject to setbacks.*** The structural nature of the struggles over justice and the frequent need to confront local elites and entrenched professions result in heightened risks of setbacks. Their inherent substantive and political economy complexity of justice initiatives is often exacerbated by the multi-branch nature of the justice system.
- ***Justice reform processes are long term by nature.*** Genuine justice reform is invariably a multigenerational endeavor. Thus, it is hard to guarantee progress during a project's lifetime.

## 2. Adopt a problem solving approach.

- ***A problem-solving approach to justice reform is one in which initiatives are dedicated to solve identifiable problems.*** Their focus has to be the identification and resolution of binding constraints. Reform strategies should tackle concrete functional problems, rather than pursue some ideal justice system model. In Serbia's context, support efforts should begin by asking what weaknesses in the justice system are likely to be particularly relevant in the context of EU negotiation.
- ***Justice reform necessarily needs to focus on both justice systems and delivery.*** Overall, the Bank has supported the advancement of justice from a user perspective, supporting justice reform agendas that focus on actual achievements that positively impact users of the justice system, more so than on the establishment of a pre-defined set of institutions and rules.
- ***While analysis of justice systems will take a broad view, support efforts should be strategic and specific.*** In the case of Serbia's MDTF-JSS, the strategic focus should be consistent with the PDO—i.e., facilitate the EU accession process in relation to justice issues.
- ***Ensuring appropriate sequencing and prioritization of activities as well as sufficient time to implement them are crucial for achieving results without overwhelming limited local capacity.*** While individually the many challenges facing Serbia's justice system seem important, together they add up to a formidable agenda. Thus, it has been regarded as critical to ensure that MDFT-JSS activities are focused, well sequenced, and correctly prioritized to ensure overall effectiveness.
- ***A problem-solving approach suggests that project indicators are best developed consultatively by all stakeholders.*** These include end-users, including citizens, firms, civil society representatives, and government officials who have an interest in and influence over the proposed reforms.

## 3. Anchor strategies in sound socio-political and technical analysis

- ***The need to ground project design on sound political analysis is often overlooked.*** Although some projects are based on a solid assessment of the political economy, others overlook aspects related to governance and power and explain poor judicial performance on technical issues, such as funding, the state of the regulatory framework, a lack of equipment, or the absence of training.
- ***To be successful, justice reform initiatives ought to be grounded on sound analytical work.*** Given that the availability of information on the functioning of justice systems in developing and transitioning countries is limited, analytical work is often needed to provide a solid foundation for justice initiatives.
- ***Analytical work can focus on justice issues either holistically or in relation to an identified sector.*** It includes comprehensive judicial assessments as well as ESW focusing on specific aspects of the justice system. In the context of the MDTF-JSS, the analytic lens for country conditions and diagnostic studies should be closely aligned with the EU accession process.
- ***Commissioning and consuming—not necessarily producing—good political analysis might be a more expedient approach for donors.*** Country teams should be able to access analyses that are directly relevant to the development of a strategy. Especially in environments where speed is critical, donors need to ensure that existing political analysis is mined before commissioning new analysis. Relying on existing sound political analysis not only avoids the higher costs and time of preparing a "Bank" analysis, but also potential tensions with governments.
- ***In addition to in-depth studies and ongoing program evaluation there is also a need for rapid diagnostic tools.*** Studies revealed that review of country conditions and diagnostic studies are not undertaken earlier enough, as a result of the rapid pace of transition and external pressures to respond quickly. Rapid diagnostic tools that can be adapted to address the short-term or highly focused support for justice reform include:

- ✓ *The Rapid Assessment and Action Plans (RAAPs)*: Through a simple methodology based on standardized questionnaires, RAAPs allow a quick review of key aspects of institutional performance (i.e., human resources management, financial management, revenue administration, information technology, public procurement) and i) identify the main weaknesses in these areas; ii) assess the impact of such weaknesses in terms of service delivery; and iii) propose a set of short-term practical solutions.
- ✓ *Public Expenditure and Institutional Reviews (PEIRs)*: The objective of a PEIR is to help policy makers improve security/justice sector performance and public trust through the more effective utilization and management of available resources.
- ***Country ownership and absorptive capacity constraints apply as much to knowledge products as to financial products.*** The involvement of country counterparts in the Bank’s analytical work remains limited to administrative aspects, with much less country-client participation in selecting topics and undertaking analysis, thereby reducing national buy-in. Yet the involvement of country counterparts is essential to ensuring client ownership and improving the impact of analytical work. Without country ownership, the chance of analytical work influencing government policy is small.
- ***Governments’ absorptive capacity constraints in using analytical work may also limit possible knowledge transfer.*** The absorptive capacity of the government may be limited, and analytical and advisory activities undertaken mostly by the Bank risk straining relations with the government, regardless of their technical quality.

#### 4. Adopting an evidence-based approach is critical to the effectiveness of justice initiatives

- ***Data is the foundation of an evidence-based approach to justice reform.*** It is critical to ensure that information on the workings of the justice system is collected. Strong diagnostics should inform the design of interventions by providing data on the actual functions of the justice system.
- ***The move toward an evidence-based approach to justice reform should be clear throughout the project cycle, from design to monitoring and evaluation.*** Practitioners and scholars recognize serious knowledge gaps in justice reform. There is limited empirical data on the functioning of justice systems in many of the Bank’s member countries, and even less evidence on the impact and dynamics of reform efforts.
- ***An evidence-based approach to justice reform entails defining results and results chains that link activities to indicators of higher-level goals.*** A result-based focus needs to be integrated into the design, monitoring, and evaluation of justice initiatives.
- ***There is a lack of rigorous, systematic evaluation in justice initiatives.*** An impact evaluation needs to be prioritized and embedded into theories of change that map the causal chain from programmatic inputs to broad societal impacts, with associated indicators.
- ***Monitoring and evaluation are particularly important in rapidly changing environments.*** A constantly changing environment requires a program that can be adjusted. Closely tracking performance will help determine when and what kind of adaptation is necessary.
- ***Achievements are often reported in terms of outputs rather than outcomes.*** Typical outputs include the passage of new legislation, training of judges, construction of court infrastructure, and improvements in systems for case handling. Although project designs may cite higher-level goals, the chain of causation between these goals and the proposed activities are arguably often weak, which in turn makes outcome-level evaluation difficult.
- ***Outcome and impact indicators can contribute to both diagnoses and advocacy.*** Project outcome indicators (e.g., the timely publication of decisions by courts) and impact indicators (e.g., homicides per 100,000 population) can contribute to better understanding of the problem at hand and to spur reform.
- ***Good practice therefore requires using clusters of indicators derived from a variety of sources.*** Given the inherently complex nature of justice, indicators are invariably simplified proxies, and their use and interpretation—especially standard indicators across jurisdictions—require much caution. Good practice therefore requires using clusters of indicators derived from a variety of sources, such as administrative data, expert assessment, and stakeholder and beneficiary surveys.

#### 5. Organizational and donor coordination issues

- ***Clear leadership within the donor community is required to achieve donor coordination.*** Donor coordination cannot succeed without a common vision and purpose among donor. Donor coordination is a form of collective action, requiring that both the Bank and donors improve their outreach and subordinate their agendas to agreed multilateral objectives. In environments of limited technical and institutional capacity, collective donor focus and selectivity becomes critically important.
- ***Coordination needs to begin within each donor agency.*** Coordination is not only important among multilateral and bilateral donor agencies. It is also a vital issue *within* each donor agency. A side-effect of the Bank's decentralization to country offices has been the concentration of country knowledge among local staff and inadequate dissemination of this knowledge to the country team, especially to those based in the headquarters.
- ***Field presence alone is insufficient for effective country strategy implementation.*** It needs to be complemented by adequate communication between field and headquarters donor agency staff, as well as by an adequate number of field staff with the appropriate authority and skills.
- ***In the case of a client that is already reforming, the primary skill needed is the ability to provide customized technical assistance and work hand-in-hand with the client.***
- ***Effective communication is essential both for ensuring country acceptance of donor approaches and for tempering unrealistic country expectations about what can be achieved.*** Better communication of donor objectives and approaches in LICUS will be needed to ensure country buy-in. It can also prevent disillusionment by tempering unrealistic expectations among stakeholders about what can be achieved in a specific period of time.

## 6. Key areas of intervention in justice initiatives

- ***Strengthening of the human resources of justice institutions.*** One challenge in justice initiatives is the availability of professional staff to lead reform efforts. Some reforms have struggled because of a lack of in-country professionals interested in and capable of implementation. Thus, beyond the traditional focus on the training of justice sector staff, the Bank should pay greater attention to the challenge of supporting a cadre of people who have the authority and capability to lead reforms. This may require building technical assistance components into projects and supporting change management training for those in leadership positions in justice institutions.
- ***Increasing the application of core public sector management expertise to justice sector institutions.*** Areas like budgeting, financial management, and human resources are critical for improving the performance of any state institution. In part because of concerns about independence of the judiciary, court systems have been slow to adopt general public sector reforms. Experience in OECD countries and Latin America suggests that it is possible to modernize management—for example, incorporating performance data and meritocratic principles into budgeting and human resources management—without compromising independence. The Bank has a strong competitive advantage in applying learning and expertise from general public sector management to the justice sector.
- ***Refocusing assistance towards equity, inclusion, and accountability.*** The Bank's justice reform portfolio has tended to focus on issues of efficiency and effectiveness of the court system. These should continue to be priorities, but efforts should be made to develop assistance instruments with clients that explicitly serve the poor and marginalized, and target outcomes in terms of equity, inclusion, and accountability, which are more closely linked to progress in terms of substantive justice.

## ANNEX II

### INTERVIEWS CONDUCTED DURING THE MID-TERM REVIEW MISSION

Government and Justice Officials		
Mr. Bošković	Slobodan	Assistant Minister, Ministry of Justice
Mr. Simić	Vojkan	Assistant Minister, Ministry of Justice
Ms. Pajović	Jelica	Assistant Minister, Ministry of Justice
Ms. Jeličić	Jagoda	Assistant Minister, Ministry of Justice
Mr. Pašić	Dejan	Assistant Minister, Ministry of Justice
Ms. Mesarović	Nata	President, Supreme Court of Cassation
Ms. Kršikapa	Majda	Senior Advisor for European Integration, SCC
Ms. Zdravković	Jelisaveta	Advisor for Relations and Project, HJC
Ms. Dolovac	Zagorka	Republic Public Prosecutor, Republic Public Prosecutors Office
Ms. Janićijević	Gordana	Deputy Public Prosecutor, Republic Public Prosecutors Office
Mr. Stamenković	Branko	Senior Adviser, International Affairs and Legal Assistance Department, Republic Public Prosecutors Office
Ms. Andrejević	Snežana	Judge, Supreme Court of Cassation
Mr. Nikolić	Mladen	Judge, Supreme Court of Cassation
Mr. Važić	Siniša	Judge, Appellate Court
Mr. Pašalić	Zoran	President, High Misdemeanor Court
Mr. Vujić	Nenad	Director, Judicial Academy
Ms. Radomirović	Milena	EU integration office
Mr. Golubović	Miloš	EU integration office
Ms. Krejović	Ljiljana	Procurement Specialist: RFU - MDTF-JSS JSS
Ms. Grubic	Daliborka	Consultant for Financial management and Project Coordination: RFU – MDTF-JSS
Ms. Krpina	Ivana	Consultant for EU Integration: RFU - MDTF-JSS JSS
Ms. Muškinja	Mila	Consultant for Justice Sector Policy: RFU - MDTF-JSS JSS
Ms. Djunic	Milica	Consultant for International Cooperation: RFU – MDTF-JSS
Ms. Petković	Masa	Consultant for Monitoring and Evaluation, Communication and Media: RFU - MDTF-JSS JSS
Ms. Koturović	Darja	Consultant for Access to Justice: RFU-MDTF-JSS JSS, Ministry of Justice
Mr. Jelić	Bojan	Consultant for ICT: RFU - MDTF-JSS JSS
Mr. Milunović	Branislav	IT expert: RFU - MDTF-JSS JSS
Other Agencies, NGOs, and Community Representatives		
Ms. Boljevic	Dragana	President, Judges Association of Serbia
Mr. Hadziomerovic	Omer	Judge, Judges Association of Serbia
Mr. Ilić	Goran	Association of Public Prosecutors
Mr. Bogosavljević	Srdjan	Ipsos Strategic Marketing
Ms. Logar	Svetlana	Ipsos Strategic Marketing
Ms. Krstić	Ivana	Assistant Professor at the Faculty of Law, Belgrade University
Ms. Bulajic	Svetislava	Lecturer at the Faculty of Law, Belgrade University
Mr. Stošić	Dragan	Institute Mihajlo Pupin
Mr. Nedić	Blazo	Advocate, Partners for Democracy CSO
Mr. Antonijević	Milan	Director, Lawyers Committee for Human Rights (YUCOM)
International Community		
Ms. Prostran	Sonja	Deputy Chief of Party, USAID Separation of Powers Program
Ms. Schweiger	Romana	OSCE
Ms. Mazzolani	Denise	OSCE
Ms. Torov	Sanja	Political Officer, British Embassy
Ms. Cuk	Nadia	Council of Europe Office, Belgrade
Mr. Joksimovic	Vladan	Council of Europe Office, Belgrade
Mr. Gjengstø	Halvor	Programme Manager, International Management Group (IMG)
Mr. Vetter	Larry	Chief of party, JRGA – Judicial Reform and Government Accountability, (USAID funded project)
Ms. Lukic	Dragana	Deputy chief of party, JRGA – Judicial Reform and

Mr. Mossberg	Björn	Government Accountability, (USAID funded project)
Ms. Nešović	Svetlana	Counselor, Development Cooperation, Embassy of Sweden
Ms. Vandeputte	Bianca	Program Officer, Development Program Section, Embassy of Sweden
Ms. San Jose	Yolanda	Program Manager, European Union Delegation
Ms. Meyer	Beatrice	Head of Section, European Union Delegation
Mr. Vasilev	Petar	Country Director, Swiss Agency for Development and Cooperation
Mr. Rosić	Arminio	National Programme Officer, Rule of Law and Democracy, Swiss Agency for Development and Cooperation
Ms. Haeberli	Katharina	Swiss Agency for Development and Cooperation
Mr. Force	Rob	Regional Governance Advisor, Swiss Agency for Development and Cooperation
Ms. Tirol	Anne Lou	Senior Rule of Law Advisor, USAID
Ms. Kalinić	Aleksandra	Chief, Anti-Corruption Advisor, Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT)
Mr. Thunedborg	Soren	Policy Officer, Development Cooperation Department , Embassy of the Kingdom of the Netherlands
Mr. Gasos	Pablo	First Secretary, Embassy of Danmark
Ms. Purić	Olivera	Economic Advisor Embassy of Spain
Mr. Birot	Alain	Assistant Resident Representative, Program Team, UNDP
<b>World Bank Team</b>		
Mr. Brefort	Loup	Judge, Consultant, High Court Council
Mr. Mosqueira	Edgardo	Country Manager
Mr. Furnari	John	Senior Public Sector Specialist (TTL)
Ms. Greer	Claire	Senior Justice Sector Specialist
Mr. Šestović	Lazar	Public Sector Specialist
Mr. Svirčev	Srdjan	Economist
Ms. Matić	Marina	Program Coordinator
Ms. VukovićTasić	Hermína	Consultant
		Program Assistant