



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 30-May-2022 | Report No: PIDC34058

**BASIC INFORMATION****A. Basic Project Data**

| | | | |
|--|--|--|--|
| Country Romania | Project ID P178599 | Parent Project ID (if any) | Project Name Building Effective, Trustworthy, Efficient, and Resilient Justice Institutions (P178599) |
| Region EUROPE AND CENTRAL ASIA | Estimated Appraisal Date Mar 28, 2023 | Estimated Board Date May 25, 2023 | Practice Area (Lead) Governance |
| Financing Instrument Investment Project Financing | Borrower(s) Ministry of Finance | Implementing Agency Ministry of Justice | |

Proposed Development Objective(s)

To improve access to and efficiency of selected justice services and to increase trust and resilience in justice institutions in Romania.

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

| | |
|--------------------|--------|
| Total Project Cost | 100.00 |
| Total Financing | 100.00 |
| of which IBRD/IDA | 100.00 |
| Financing Gap | 0.00 |

DETAILS**World Bank Group Financing**

| | |
|--|--------|
| International Bank for Reconstruction and Development (IBRD) | 100.00 |
|--|--------|

Environmental and Social Risk Classification
Moderate

Concept Review Decision
Track I-The review did authorize the preparation to continue



Other Decision (as needed)

B. Introduction and Context

Country Context

- Over the past decades, Romania has experienced rapid economic growth, lifting many citizens out of poverty.** Economic growth in Romania is among the fastest in Europe, driven primarily by the private sector and by urban and peri-urban development trends. This contributed to increases in household incomes, with the poverty rate, at US\$5.50 a day (2011 PPP), falling from 27.7 percent in 2013 to 9.5 percent in 2019. Romania's economy performed better than expected during the COVID-19 crisis, contracting by 3.7 percent in 2020 and recovering to grow 5.9 percent in 2021. Still, the poverty rate is estimated to decline modestly to 10.1 percent in 2022, remaining slightly above the pre-crisis level.
- Despite overall growth, key development challenges remain including economic disparities, inadequate public services, and persistent mistrust in Romania's public institutions, including the justice sector.** The urban-rural income gap is significant with income in urban centers nearly double that in rural areas. Infrastructure gaps limit job opportunities and access to education and health treatment. Citizen satisfaction with public services is among the lowest in Europe – nearly 60 percent of Romanians consider public services as poor/of very poor quality, almost two-thirds report not trusting their national government, and less than 15 percent believe it will deliver on its promises.¹ Perceptions of high levels of corruption and attempts to undermine the rule of law in 2017-2019 fueled massive protests and impacted perceptions of judicial independence from economic and political interests. These and other factors are cited as reasons that over 200,000 Romanians leave the country each year in search of better living conditions and income in Western Europe.
- The COVID-19 pandemic evidenced long-standing gaps in public service delivery and placed additional pressures on Romania's budget expenditures.** Authorities were unprepared to enforce lockdown measures while continuing to deliver basic public services (e.g., health), adapt to restrictions (e.g., remote work), and respond to evolving citizenry needs (e.g., online learning). Pandemic requirements generated gaps in business continuity and evidenced a slow, rigid, and paper-based bureaucracy with outdated regulations, limited use of digital technologies, and unequipped and untrained workers. Frequent changes of authorities, policies, and health protocols further eroded public trust in government with 48 percent of Romanians believing that corruption increased between 2020 and 2021.²
- The war in Ukraine poses new challenges for Romania.** Rising energy and food prices as a result of the war as well as inflation³ is expected to impact economic growth and could adversely impact poverty in Romania. Government spending is expected to increase as a result of existing energy subsidies to households and firms and the additional costs generated by the massive influx of forcibly displaced people (FPD). As of May 26, 2022, over one million FDP have entered Romania.⁴ The increased inflow of predominantly women, children, and elderly may add fiscal pressures and further strain the Government's capacity to deliver public services, including inter alia, in the health, education, and justice sectors.
- In this context, Romania also has an opportunity to access unprecedented amounts of resources to respond to emerging demands, transform public services, and increase citizens' trust.** In addition to the multiannual financial

¹ Standard Eurobarometer 95 Spring 2021.

² Transparency International Global Corruption Indicator EU 2021.

³ Annual inflation accelerated to 8.5 percent in February 2022, reflecting strong supply-side pressures, including recent spikes in energy prices.

⁴ <https://www.politiadefrontiera.ro/ro/main/i-traficul-la-frontiera-in-data-de-26-mai-2022-29221.html>



framework 2021-2027, the European Commission (EC) launched the Recovery and Resilience Facility (RRF) to mitigate economic and social impacts of the pandemic and to make economies and societies more sustainable, resilient, and better prepared for the challenges and opportunities of the green and digital transitions. Through its National Recovery and Resilience Plan (NRRP), Romania has outlined its plan to use RRF funds to jumpstart its economy, by adopting policy reforms and implementing investments in key areas including digital transformation, green transition and climate change,⁵ as well as budgetary and pension reforms, civil service reform, and strengthening the rule of law. Implementing these will grant Romania access to approximately EUR 30 billion in financing. In order to successfully implement the NRRP, the GOR requires support to ensure key enabling conditions for the implementation of reforms and investments are in place.

Sectoral and Institutional Context

6. **Romania continues to make progress in its justice reform agenda, as reflected in various measures of justice sector performance.** In the 2021 World Justice Project Rule of Law (WJP RoL) Index, Romania ranks relatively high in the global ranking, though still low against regional comparators. Romania is placed in the top third countries in the WJP RoL index (41 out of 139) but at the bottom (27 out of 31) when compared to the EU, European Free Trade Association (EFTA), and North America. Romania's lowest ranking – globally, regionally, and against other high-income countries – is on the perception of corruption.⁶

Justice sector institutions are fundamental to upholding the rule of law, which in turn, plays an important role in supporting countries' economic growth and development.

While the rule of law depends on several actors, justice sector institutions are central to its maintenance, ensuring that laws are applied equally to all, including the Government. The judicial system provides mechanisms for resolving disputes and protecting individual rights and acts as a check on other branches of government by ensuring respect for the Constitution and the legal framework. Proper rule of law, by providing access to justice and ensuring due process, helps create a fair society where citizens and businesses can flourish, opening opportunity for greater economic growth and development.

Source: United Nations, the Rule of Law and Development
<https://www.un.org/ruleoflaw/rule-of-law-and-development>

7. **Weak governance of justice institutions impacts the perception of judicial independence and erodes public trust.** This is evidenced in Romania by the limited coordination in the justice sector; outdated management and administrative practices, including human resources and financial management, shown for example, in the unclear and everchanging selection and promotion procedures for judges and magistrates; and court refurbishment and maintenance budget allocated without a clear methodology for prioritization. These, coupled with the limited capacities to use information, communication, and digital technologies, make justice sector institutions vulnerable to interference.

8. **Perception of judicial independence has improved, though Romania ranks below its peers in the region.** According to the latest Eurobarometer data, about half of Romanian citizens rated the justice system as independent in 2021, compared to 37 percent in 2020. This is the first improvement in over five years (see table 1). Still, 38 percent of Romanian citizens do not perceive courts and judges as independent (see Figure 1), citing perceived interference from politicians or pressure from economic interests as the main reasons.⁷ This continued negative perception impacts morale within the justice sector, with half of judges reporting they have experienced lack of

Table 1: Independence of justice perceptions

| Favorable citizen perception of independence of justice | |
|---|-----|
| 2021 | 51% |
| 2020 | 37% |
| 2019 | 40% |
| 2018 | 47% |
| 2017 | 50% |
| 2016 | 51% |

⁵ Digital transformation is a cross-cutting theme of the NRRP, 21 percent of its total is allocated to digital initiatives. Romania has earmarked 41 percent of the NRRP allocation for green transition, including reforms and investments addressing climate change. Romania is particularly vulnerable to climate challenges related to frequent inland flooding, increasingly frequent flash floods and droughts, and a risk of soil erosion and desertification.

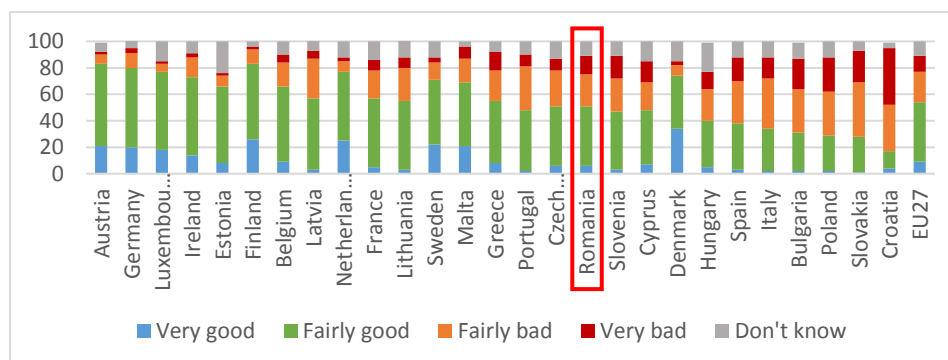
⁶ <https://worldjusticeproject.org/rule-of-law-index/country/2021/Romania/>

⁷ Flash Eurobarometer 489. <https://europa.eu/eurobarometer/surveys/detail/2272>; <https://www.actmedia.eu/daily/eurostat-the-perception-of-the-citizens-on-the-independence-of-justice-dropped-in-romania-over-the-last-two-years/75991>.



respect for their independence by the Government and the media.⁸ Judges refer to needs for training on how to handle social and media pressures and institutional mechanisms to support their responses to intimidation and attempted interference by political actors and the press.

Figure 1: Perception of Independence of Courts and Judges, 2021



9. **Internal and external factors undermine justice service delivery.** These include institutional enablers for the good functioning of the justice system, such as adequate legislation, decision-making, and allocation of resources, as well as skills development. For example, outdated and vacuums of legislation in Romania create ambiguity and inconsistency of practice. Judges deliver their decisions despite inconsistencies and gaps in legislation (insolvency and bankruptcy are notable examples) and struggle to ensure a uniform approach in decision-making. Likewise, relevant legislation regarding the functioning of the judiciary, including mechanisms for integrity and independence, are needed in order to lift the Cooperation and Verification Mechanism (CVM). Romania has committed to protecting judicial independence through specific measures in the NRRP and its recently approved 2022-2025 Strategy for Development of the Judiciary (SDJ 2022-2025). The GOR has also committed to fighting corruption with a new national Anti-corruption Strategy for 2021-2025 endorsed in December 2021.

10. **Collaboration and coordination within and amongst justice sector institutions is limited and reform efforts mostly siloed.**⁹ This has resulted in poor planning, inaction, duplications, lags, and one-off efforts in the sector. The 2015-2020 Strategy for Development of the Judiciary (SDJ 2015-2020) and its action plan highlighted the need to foster justice sector coordination to improve the quality and efficiency of justice services. However, current regulations and processes limit coordination between justice and other public institutions, as evidenced by the low implementation of the SDJ 2015-2020.¹⁰ Addressing complex cases such as banking, insolvencies, and organized/cross-border crimes (money laundering, human trafficking) requires strong collaboration and so will the NRPP implementation. Recent consultations with justice stakeholders highlighted the need for improved collaboration and a common vision on NRRP implementation.¹¹ The SDJ 2022-2025 is a step in the right direction, but further support is required to ensure its implementation.

11. **The Romanian judiciary is sufficiently funded but a nonstrategic use of financial resources renders it very much underinvested.**¹² Management of financial resources focuses on accurate budgeting and servicing of expenses rather than

⁸ European Network of Councils for the Judiciary (2020) <https://pgwrk-websitemedia.s3.eu-west-1.amazonaws.com/production/pwk-web-encj2017-p/Reports/Data%20ENCJ%202019%20Survey%20on%20the%20Independence%20of%20judges.pdf>

⁹ These include both internal, like judges, court administrators, public prosecutors, and external, like the parties to a dispute, as well as with the Executive and Legislative branches, lawyers, and civil society. In fact, the stakeholders of the justice sector can include society as a whole.

¹⁰ In October 2021, less than half of the measures included in the SDJ's action plan were implemented.

¹¹ Conducted in 2021 under the ongoing JFR engagement.

¹² In 2018 Romania's judicial budget was 0.4 percent of GDP and the EU average was 0.3. CEPEJ, "Efficiency and Quality of Justice," 2020 report.

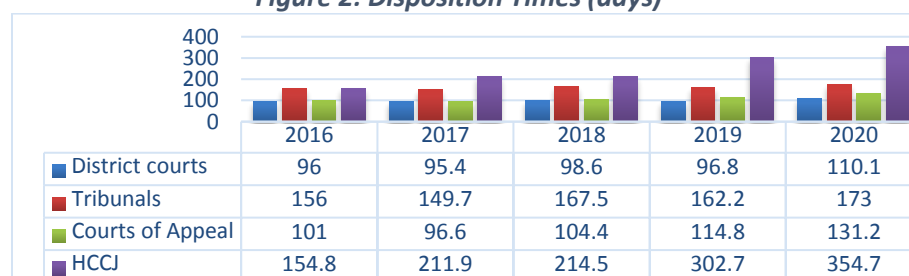


service delivery and performance. Around 90 percent of judicial expenditure is fixed (wages), while capital expenditure constitutes less than 1 percent of the expenditure in courts and prosecution offices. As a comparison, average share of gross wages in judicial systems of European countries was 65.5 percent in 2018, while the share of investment expenditure (i.e., infrastructure/ICT) was 7.9 percent. This lack of a strategic use hinders the sector's ability to undertake necessary investments to improve facilities and equipment and modernize service delivery, for example by investing in ICT.

12. **Human resources management practices in courts and prosecutors' offices are weak and will impact the functioning of the judiciary in the short term.** A high number of judges and prosecutors are eligible for retirement or will become eligible in the next two years. The vacancy rate for judges' positions in Romanian courts currently stands at 13 percent, a number that will only increase without proper workforce planning.¹³ Furthermore, recent legislative changes have negatively impacted staffing levels in courts and prosecution offices; the regular admissions in the judiciary, as well as transfers among courts and prosecutions, were blocked for several years due to the unconstitutionality of several laws. A new mechanism for promotion adopted in 2018 has led to understaffed courts and difficulties in recruiting judges to higher courts, who have little incentive to take on new responsibilities as they are now eligible for promotion in situ.¹⁴

13. **The COVID-19 pandemic evidenced weaknesses that impact service delivery.** Findings from the ongoing Justice Functional Review (JFR) showed that judicial activities slowed significantly during lockdown periods, as justice institutions had no business continuity plans and were unable to work remotely. While courts in various EU countries saw new waves of claims linked to the pandemic,¹⁵ in Romania, the number of incoming cases fell across all jurisdictions in 2020, and so did case dispositions and clearance rates. An increase in case disposition times despite a decrease in incoming cases shows that courts struggled to keep functioning (figure 2). During the pandemic, various first instance courts (FICs) were unable to deliver services remotely due to poor network connections, inadequate equipment, low digital skills, and a lack of in-house ICT support. The Justice Services Improvement Project (P160751) was restructured to provide basic local area network (LAN) infrastructure to various courts outside of Bucharest to ensure continuity of essential operations.¹⁶

Figure 2: Disposition Times (days)¹⁷



14. **In their post pandemic recovery efforts, the EC and GOR have emphasized digital and green technologies to build resilience.** Current regulations and practices do not enable remote work, systems are not interconnected or adapted for accessing information online, and business continuity systems are not in place. For example, judicial archives laws still require the storage of physical documents, placing information at risk to natural disasters and preventing information exchange among institutions. The SDJ 2022-2025 recognizes the need to update mechanisms for the use of electronic documents and data exchange. Romania's NRRP emphasizes the digitalization of public administration, in key areas such

¹³ According to data received from MoJ under the ongoing JFR.

¹⁴ In 2016-2021, more than 35 percent of judges and 30 percent of prosecutors were promoted in situ.

¹⁵ Such as family law cases (divorce, child custody, and domestic violence) and disputes concerning unfulfilled contracts, unpaid wages, etc.

¹⁶ An October 2020 analysis by the MoJ showed that none of the national courts had the infrastructure necessary for planned digital transitions.

¹⁷ MoJ Data, World Bank calculations for the Romania Justice Functional Review Project.



as justice, as an avenue to enable access to high-quality digital services for citizens and businesses. The MoJ plans to leverage the NRRP as a vehicle to build resilience and initiate the sector's digital transformation, with investments that include: (i) data center infrastructure, (ii) virtualization of the ICT applications, (iii) integrated systems of audio-video recording in courtrooms, (iv) security and networking equipment for the entire justice system, (v) small software development/updates and (vi) equipment (laptops, printers, etc.). These build upon ongoing digital initiatives, such as the upgrading of the Electronic Court Record Information System (ECRIS) to include additional functionalities (e.g., e-notifications, automatic reporting) and facilitate information exchange across institutions.

15. The justice sector is ill prepared for additional pressures that might result from new waves of the pandemic and the war in Ukraine. The war has triggered a regional refugee crisis, and the influx of FDP entering Romania will place additional burdens on the justice system, as needs for legal aid, small claims, and non-contentious claims are expected to increase. In addition, the number of administrative proceedings linked to FDP will likely increase in the short and medium-term (see Box 1). The war is also expected to impact the GOR's ability to implement plans to modernize and construct new justice infrastructure, as construction costs, particularly the prices for raw materials such as steel and masonry produced in Ukraine, increased by 60-80 percent in March 2022.¹⁸

Box 1: Ensuring access to justice in times of crisis

Following more than two years of uncertainty posed by the COVID-19 pandemic, Europe faces another unprecedented crisis. Millions of people have fled Ukraine following Russia's invasion, leading to an influx of FDP in neighboring countries. Over 1,037,000 FDP – mostly women, children, and elderly – have entered Romania. Some fled without identification, travel documents, or proof of child custody, and most without a clear plan.

With this massive influx of FDP, governments had to act quickly to offer basic services and accommodation. Romania's response was fast and effective, enacting emergency ordinances to waive and adjust migratory administrative procedures to facilitate the urgent entrance of FDP and repurposing facilities to host them on a temporary basis. FDP who choose to stay in the country are guaranteed the right to work and access to social welfare, health services, and education.

As FDP settle in for longer stays, demands on administrative and justice services will increase. Immediate demands will center on registration in the host country, requests for identification documents, access to accommodation and transit, and urgent medical services. Short to medium-term demands will cover a wider range, such as accessing rights to work – including certification of professional qualifications (e.g., medicine, architecture), accessing education, child custody cases, filing claims for social benefits, etc. Tools to guarantee knowledge of and access to rights and legal aid could be offered through one stop shops (or integrated justice service centers), which provide a range of justice services consolidated in one location. These centers could serve as a first point of contact for information, legal aid, and services for those in need, while ensuring that such services will also be accessible to poor people and other vulnerable groups in host communities.

As FDP begin to exercise the rights granted to them by the Government (health, education, work), the justice sector should anticipate increased demand for non-contentious claims (certifications) as well as small claims (debt collection and evictions) that most likely will be entering the system.

16. Access barriers to justice services in Romania disproportionately affect poor and vulnerable groups (women, Roma, FDPs but also SMEs). Barriers include costs associated with upholding individual rights in court including legal advice, time, travel, etc. Common grievances for vulnerable groups include alimony, evictions, repatriations resulting from ineffective asylum procedures, and small debt collections that may place a significant burden on plaintiffs. The GOR has included expanding access to justice as well as to legal aid as a strategic objective in the SDJ 2022-2025.

17. Romania's approach to legal aid is restrictive when compared to other EU countries.¹⁹ The current complex and bureaucratic procedure to access legal aid, coupled with lack of information and awareness about available services, can limit access to justice, particularly for the most vulnerable. Likewise, legal aid is interpreted as the right to "free legal representation" but does not include pre-trial assistance (e.g., rights awareness) for the vulnerable.

18. A substantial part of the current justice infrastructure is obsolete and sub-standard, constituting a key constraint to access to justice and improved resilience of justice services. The GOR has continued to invest in justice

¹⁸ https://www.stiripesurse.ro/e-jale-pe-piata-imobiliara-preturile-materialelor-de-constructii-au-crescut-cu-60-80prc_2289820.html.

¹⁹ In Romania, budget allocation for legal aid is only 1.25 percent of the Judicial budget, compared to an average of 11 percent in European countries. Services provided under legal aid schemes are restricted primarily to right to legal representation at reduced or no-cost for eligible individuals.



infrastructure, rehabilitating several courts across the country over the past 15 years. The Judicial Reform Project (JRP, P090309), and Justice Services Improvement Project (JSIP, P160751) have financed some of these investments. However, the budget allocated for investment is limited and many buildings occupied by justice institutions remain in poor condition due to deferred capital maintenance, do not comply with the European and Romanian standards for seismic risk (and are therefore vulnerable to disasters), are not energy efficient, not prepared to host ICT equipment, and costly to rent.

19. **Inadequate infrastructure and physical distance between justice institutions in Bucharest reduces efficiency and access to justice services and impede the sector's capacity to deliver on the country's largest caseload.** As a key element of its medium-term plan to improve access, quality, and efficiency of justice, the GOR has a particular plan for Bucharest, to consolidate individual justice institutions in a unified complex (Justice District).²⁰ The proposal to develop a Justice District, under a separate operation, as a vehicle to consolidate several disparate justice institutions and functions in one location (acting as a One Stop Shop in Bucharest), is central to justice service delivery transformation. It would also contribute to the urban regeneration of a strategically located and under-invested area of Bucharest. Expected justice sector-specific benefits include increased access, efficiency, and quality of justice services, improved communication among justice institutions (i.e., the SCM, the prosecution service, the first instance court, the tribunals, the court of appeals of Bucharest, etc.), and improved safety and sustainability. In parallel, the redevelopment of the site chosen for the Justice District would bring substantial fiscal and social benefits.²¹

20. **In line with the MoJ's long-term vision, the Bank has designed a two-phase approach to provide support to a sustainable and resilient justice sector reform in Romania.** The two-phase intervention will both strengthen justice institutions for improved service delivery throughout Romania and implement a transformative service delivery model by consolidating justice institutions in the Bucharest Justice District. The two-phases would be delivered through two separate lending operations under a single design to support a holistic justice sector reform program in an integrated manner. In this regard, the proposed Project will serve as the first phase, focusing on strengthening institutions and improving access to and efficiency of selected justice services, with a focus on the vulnerable. In order to increase trust and resilience in justice institutions, the project will update regulations, processes, systems and strengthen coordination and collaboration among justice institutions. The second phase of reform, expected to be supported through a subsequent Project, will further consolidate efficiency and resilience gains and support sustainability of reforms.

Relationship to CPF

21. **The proposed Project is fully aligned with the objectives of the Romania Country Partnership Framework (CPF) for the period FY19–FY23,**²² which has the overarching goal of building institutions fit for a prosperous and inclusive Romania. Activities aim to ensure the fundamental elements and enabling conditions for providing and accessing critical justice services are in place. These are essential to building stronger justice institutions and ensuring citizen needs are addressed efficiently. This Project targets all key justice institutions (MoJ, Courts, Prosecution Service, Superior Council of Magistracy, etc.) to generate capacities and strengthen coordination arrangements, processes, systems and resilience and to provide new avenues for justice service delivery for individuals, businesses, and justice sector institutions alike. The investments will support capacity building, infrastructure, and systems across the entire sector, strengthening not only individual justice institutions but the system as a whole. Moreover, the Project fully meets the CPF selectivity filters.

²⁰ The GOR has expressed commitment to develop a Justice District in Bucharest in various strategic documents, most recently the SDJ 2022-2025.

²¹ The MoJ has estimated that, as a new-build project designed to European standards for efficiency and resilience, the Project could facilitate savings for tenant institutions on occupancy costs and decrease maintenance costs by 60 percent (approximately €45 million) over 10 years.

²² World Bank, 2018, Country Partnership Framework for Romania for the Period FY19–FY23. Report No. 126154-RO.



Rationale for Bank Engagement

22. **The Bank has a unique position to support Romania through a well-established collaboration with the justice sector.** The Bank has supported the MoJ through lending operations (JRP and JSIP) as well as analytic services (Functional Reviews 2014, 2022) for over a decade. Such holistic approach to support in the sector provide the Bank a platform to identify and tackle key institutional weaknesses and performance challenges. Finally, the MoJ has requested support for an additional functional review of the prosecutor's office and technical assistance to support select NRRP reforms. The established working partnership as well as the technical inputs generated by the Bank's ongoing RAS portfolio provides a solid foundation to implement this Project. Likewise, this trusted partnership with the MoJ places the Bank in a solid position to provide support in the implementation of justice sector reforms included in the NRRP.

23. **The proposed Project represents a next chapter of the Bank's engagement in the justice sector in Romania.** This Project consolidates reforms under JSIP and proposes to operationalize key recommendations identified under the JFR to underpin Romania's medium term justice sector reform agenda as reflected in the NRRP and SDJ 2022-2025.

C. Proposed Development Objective(s)

To improve access to and efficiency of selected justice services and to increase trust in and resilience of justice institutions in Romania.

Key Results (From PCN)

24. **Successful achievement of the PDO above will be measured with the following outcome level indicators:**

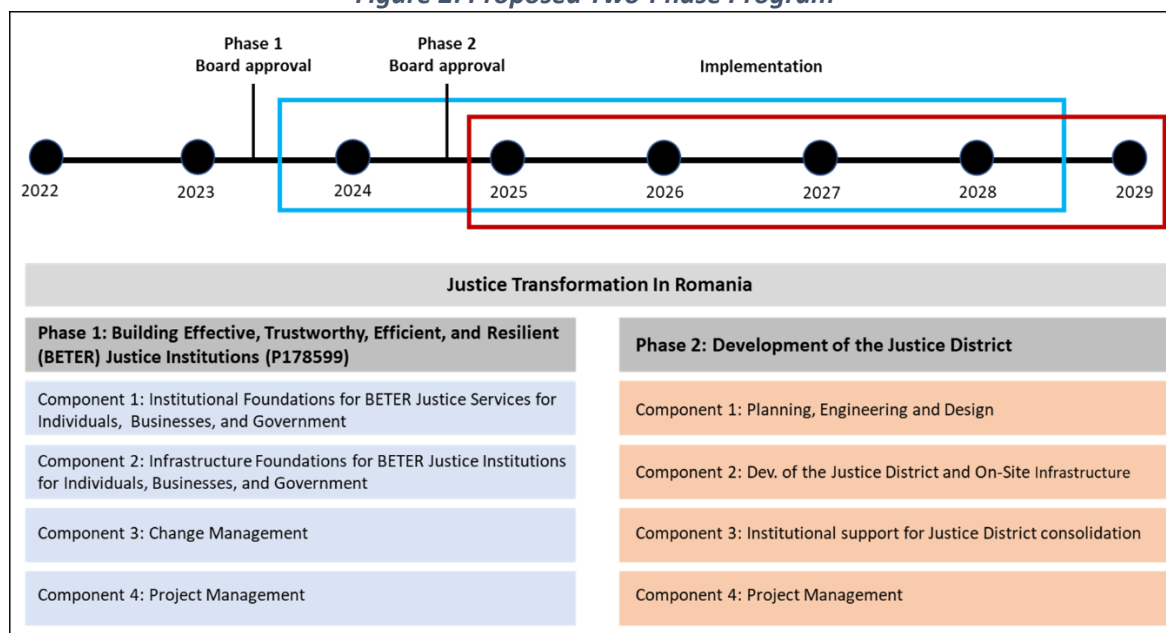
- (a) Improved access to justice services – Percentage increase of citizens benefiting from legal aid and counselling services (disaggregated by gender, ethnicity, citizenship/migration status, type of user, etc.).
- (b) Improved efficiency of justice services – Improved clearance rates at selected first instance courts.
- (c) Increased resilience of justice services – Number of courts with tested business continuity plans in place. Number of streamlined and digital ready processes.
- (d) Increased trust in justice institutions – Percentage increase in trust in justice institutions and user (internal and external) satisfaction with streamlined procedures.

D. Concept Description

25. **The proposed Project would establish key building blocks and improve the justice sector's operating framework to support institutional reforms aimed at improving access and efficiency of selected justice services and increasing trust and resilience in justice institutions in Romania.** This will be achieved by updating regulations, enhancing inter and intra-institutional coordination, streamlining processes (business process reengineering) and systems, and providing integrated user-centric services at Justice Service Centers, as well as investing in infrastructure for selected courts. It is designed as the first phase of a two-phased intervention (see figure below). The second phase (Phase 2) would support the development of a Justice District in Bucharest, building upon the foundations put in place in the first phase. While operationalized through two separate Projects, the approach to justice transformation in Romania has been conceptualized under a long-term single Project design. Project activities are interlinked with the first phase focusing on FICs across the country as a testing ground to then support a second phase that will consolidate FICs and specialized courts in the biggest jurisdiction of the sector, i.e., Bucharest.



Figure 2: Proposed Two-Phase Program



BETER Justice Institutions Project (Phase 1)

26. **The proposed Project will support targeted policy reforms and investments to strengthen justice sector institutions and establish key building blocks to transform the justice sector in Romania.** The proposed Project will support the MoJ and other justice institutions to establish the key foundations needed for implementing critical transitions, including important NRRP reforms and investments for enhancing judicial quality and efficiency and accelerating digitalization of the judiciary. This project is proposed as an Investment Project Financing (IPF).

27. **The proposed project is organized around four separate, but interlinked components:**

- **Component 1. Institutional Foundations for BETER Justice Services for Individuals,²³ Businesses, and Government.** Various bureaucratic barriers, such as administrative red tape, outdated regulations, complex and fragmented administrative procedures, and weak coordination continue to impact justice service delivery. The lack of a strategic use of human, financial, and technology resources also affects justice sector performance. Adequate planning, allocation, and use of these resources is a cross-cutting foundation for improving justice sector performance that directly impacts the quality of services provided to individuals, businesses, and the Government. This component includes support for: i. improving regulatory frameworks, processes, and inter and intra-institutional coordination; ii. improving the use of institutional resources (human/financial/technology); iii. improving access to justice for all; iv. strengthening information management and transparency; and v. developing skills and training.
- **Component 2. Infrastructure Foundations for BETER Justice Institutions for Individuals, Businesses, and Government.** Enhancing sub-optimal court and institutional facilities for service provision country-wide has been singled out as a necessary pre-condition for ensuring the achievement of critical reforms outlined in the NRRP and SDJ 2022-2025. In addition, infrastructure investments should also anticipate shifting demands (i.e., from the pandemic and the war in Ukraine). This component includes support for: i. modernization of selected courts under MoJ authority (including some FIC construction initiated under JSIP, as needed, and other selected FICs); ii.

²³ The Project refers to "individuals" rather than "citizens" as not to exclude non-citizens who may use justice services, such as FDP/other migrants.



implementation of integrated justice services centers as one-stop shops to address access to justice barriers; and
iii. advancing the preparation for the development of the consolidated justice district in Bucharest.

- **Component 3. Change Management.** Reform sustainability requires careful change management and a champion. This component will support change management activities to strengthen the MoJ's institutional capacity to implement cross-sectoral reforms. Activities will include training as well as coaching sessions to ensure successful Project implementation and to strengthen the MoJ's capacities in strategic planning, NRRP implementation, and improved coordination and collaboration across the justice sector.
- **Component 4. Project Management.** This component would include activities to support to the Department for Implementation of Externally Financed Projects (DIEFP) within the MoJ in the management and implementation of the Project, including fiduciary tasks, monitoring and evaluation and reporting. This component would also support the carrying out of user satisfaction and perception surveys. Survey results will be publicly available and will inform implementation and adjustments in design, particularly at stage of Mid-Term Review.

| Legal Operational Policies | Triggered? |
|--|------------|
| Projects on International Waterways OP 7.50 | No |
| Projects in Disputed Areas OP 7.60 | No |
| Summary of Screening of Environmental and Social Risks and Impacts | |

28. **The potential environmental and social risks and impacts of the project are moderate.** These risks and impacts will be generated mostly under the second component which focuses on infrastructure. No involuntary resettlement impacts are anticipated as this stage, although all the project sites are yet to be identified. The gender-based violence (GBV) rating is moderate as assessed by the sexual exploitation, abuse, and harassment (SEAH) screening tool.

29. **The implementing agency, the MoJ's Department for Implementation of Externally Financed Projects (DIEFP) has a long history of successful project implementation under the JRP, JSIP, and the Justice District PPA.** This project will be the first operation that DIEFP will apply the Bank's Environmental and Social Framework (ESF). There will be need to hire qualified Environmental and Social specialist and provide them with ongoing capacity building to enhance their understanding and application of the ESF.

CONTACT POINT

World Bank

Carolina Rendon, Pedro Arizti, Valerie Joy Eunice Santos
Senior Public Sector Specialist

Borrower/Client/Recipient



Ministry of Finance
Boni Cucu
Director General
boni.cucu@mfinante.gov.ro

Implementing Agencies

Ministry of Justice
George Bogdan Ilea
State Secretary
bogdan.ilea@just.ro

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

| | |
|----------------------|--|
| Task Team Leader(s): | Carolina Rendon, Pedro Arizti, Valerie Joy Eunice Santos |
|----------------------|--|

Approved By

| | | |
|---------------------------|------------------------------|-------------|
| Practice Manager/Manager: | | |
| Country Director: | Gallina Andronova Vincelette | 06-Jun-2022 |