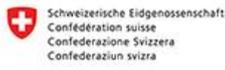


# Multi-Donor Trust Fund for Justice Sector Support in Serbia



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

January 2019

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## I. BACKGROUND

**1. The MDTF-JSS's Project Development Objective (PDO) is to provide support to strengthen Serbia's justice sector to facilitate its integration into the European Union.** The MDTF-JSS was established in 2008 and was due to close in December 2018 but was extended for another four years and will now close in December 2022. The project had a slow start in 2009 because of a wave of judicial reforms that paralyzed the judicial system. However, when the operating environment stabilized, implementation of project activities began throughout the sector.

**2. The MDTF-JSS is a hybrid fund, in that it funds both Bank advisory services as well as Government-executed reform implementation.** The Trust Fund comprises two trustee-level funds; (i) **TF071444** (original) which has four child TFs that cover Bank-executed advisory services (TF097210), recipient-executed technical assistance (TF097118), supervision of the RETF (TF097023), and TF administration and management (TF097022); and (ii) **TF072762** (parallel TF) to process additional contributions under the new cost recovery framework and implement Bank-executed advisory services (TF0A5510).<sup>1</sup>

**3. Total contributions to the MDTF-JSS are approximately 10 million USD.** During the period under review, the donors to the MDTF-JSS were the United Kingdom, the Netherlands, Denmark, Spain, Slovenia, Sweden and Switzerland. In the past, the MDTF-JSS also received contributions from Norway and the EU Delegation in Serbia. As of December 4, 2018, the contributions for the program totaled **USD 10,770,403.62**.<sup>2</sup> Of which, USD 9,776,074 has been disbursed and the total uncommitted available balance under the trustee accounts<sup>3</sup> was USD 81,882.61. Of the amount allocated to the Bank Executed Trust Funds<sup>4</sup>, the undisbursed balance stood at USD 95,714.43 and with respect to the Recipient Executed Trust Fund<sup>5</sup>, the undisbursed balance is USD 514,892.24. Financial management arrangements are deemed satisfactory and there are no outstanding audits under the Recipient Executed Trust Fund.

**4. The scope of this Mid Term Review is to assess the performance of the project for the period 2013-2017.** In particular, the Review aims to capture progress made towards fulfilling the project development objective, assess the results of the project against the outcome indicators in the Results Framework drafted at the beginning of 2016, record lessons learned to date, identify opportunities to strengthen the implementation of the project for the remainder of its duration, and make recommendations on future directions for the MDTF-JSS after 2018. It should be noted that an MTR was carried out for this project in 2012 and is available on the MDTF-JSS website.<sup>6</sup>

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<sup>1</sup> TF072762 was established in 2016

<sup>2</sup> USD 10,152,478.62 under TF071444 (original) and USD 617,925.00 under TF072762 (parallel TF)

<sup>3</sup> TF071444 and TF072762

<sup>4</sup> TF097022, TF097023, TF097210

<sup>5</sup> TF097118

<sup>6</sup> For more information please go to <http://mdtfjss.org.rs/archive//file/MDTF-JSS%20Mid-Term%20Review.pdf>

**5. The MTR came against a backdrop where stakeholders had requested that the MDTF-JSS continue after 2018.** The President of the Supreme Court, the President of the State Prosecutorial Council and the Minister of Justice each wrote to the Bank requesting that the MDTF-JSS deepen its work in 2019 and beyond. In light of this, and the 2012 MTR, this Review also focuses on lessons learned and future directions to inform a decision by the Bank, donors and Serbian stakeholders regarding the future of the MDTF-JSS.

**6. The Review is based on an assessment of relevant project documentation and approximately 20 in-person interviews with stakeholders conducted in Belgrade, Serbia between January 15 to 19, 2018.** The MTR team was led by Stephen Zimmermann (Senior Advisor for the Governance Global Practice) and comprised Gladys Senderayi (Public Sector Specialist) and Elaine Panter (Law and Justice Reform Expert). At the time, these Bank experts were independent from the MDTF-JSS task team and had not been involved in activity implementation. A list of those interviewed is annexed to this report. The Review team's mission to Serbia was facilitated by Mr. Srdjan Svircev (Task Team Leader and Senior Public Sector Specialist), with support from Marina Matic Boskovic (Justice Reform Expert) and Bisera Nurkovic (Program Assistant).

## II. SUMMARY OF KEY FINDINGS

**7. The MDTF-JSS is on track to achieving its development objective to provide support to strengthen the Republic of Serbia’s justice sector in order to facilitate its integration into the European Union.** With the support of the MDTF-JSS and based on MDTF-JSS analytic inputs, Serbian authorities prepared a draft Action plan for Chapter 23 and opened negotiations with the European Union. Now, they are actively working on implementing the activities contained in the Action Plan.

**8. The MDTF-JSS is a valuable strategic tool of engagement that has become an essential lever for justice sector reform in Serbia in line with the EU accession process.** Specifically, stakeholders commended the project for its ability to respond quickly to emergent gaps and the specific needs of the justice system’s evolving reform agenda, while focusing on strategic priorities for accession to the EU.

**9. Numerous activities were identified as examples of impactful outputs of the project.** Most notably, all stakeholders agreed that the 2014 Judicial Functional Review provided an accurate assessment of the status of Serbia’s justice system, and as a useful tool to guide reform in subsequent years. Also, given that the Judicial Functional Review analyzed the functioning of the entire system, stakeholders emphasized that recommendations coming from the Review enabled them to better understand their responsibilities in the reform process. The Survey on the Experiences and Perceptions of Justice in Serbia<sup>7</sup> also had significant impact and was used to inform reform efforts and to provide policy makers with insights into the specific needs, expectations and problems faced by users and providers of judicial services. The European Commission and other countries in the region were impressed by the survey’s methodology and are keen on emulating the survey in different jurisdictions.<sup>8</sup> The Court Rewards program was recognized, at a global level, as an innovative tool to improve court efficiency.<sup>9</sup>

**10. Although, the main MDTF-JSS target group is judicial authorities, the activities of the Trust fund also impacted the work of international partners.** Donors across the board, including those that do not provide financial support to the MDTF-JSS, highlighted that the analytical work produced under the MDTF-JSS strengthened their capacity and better enabled them to measure progress against EU benchmarks. International partners highlighted that the MDTF-JSS’ analytic documents provided a roadmap for future interventions in the justice sector.

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<sup>7</sup> The Survey gauged justice sector performance from the perspective of users of services, providers of judicial services and judicial professions (lawyers, notaries and bailiffs) and measured system’s quality, efficiency, accessibility, fairness and integrity.

<sup>8</sup> Based on survey methodology developed under the MDTF and World Bank implemented survey in Montenegro in 2017 and currently is implementing regional survey in Easter Partnership Countries in cooperation with the European Commission.

<sup>9</sup> World Bank report [Improving Public Sector Performance through Innovation and Inter-agency Coordination](http://documents.worldbank.org/curated/en/833041539871513644/pdf/131020-WP-P163620-WorldBankGlobalReport-PUBLIC.pdf) available at: <http://documents.worldbank.org/curated/en/833041539871513644/pdf/131020-WP-P163620-WorldBankGlobalReport-PUBLIC.pdf>

**11. The MTR offers some suggestions to improve implementation of the MDTF-JSS in the future.** First, consideration should be given to improving the results framework, ensuring that project activities are clearly linked to the project development objective. Second, the Bank team would benefit from hiring a communications expert to support the team to increase the visibility of the MDTF-JSS' achievements and offer greater visibility to the donors.

**12. The MTR team found unanimous support among project beneficiaries that the project continues beyond the envisioned closing date in December 2018.** Project beneficiaries reiterated their commitment to continuing to use the MDTF-JSS to advance the justice sector reform agenda in support of EU integration. Similarly, donors expressed a strong interest in continuing to support the project; building on areas of success and broadening reforms to the extent that they facilitate Serbia's integration into the EU. The donors also had suggestions going forward, including a request to expand communication and reporting on metrics. Also, donors highlighted a need for stronger policy dialogue, structured around key issues related to efficiency of the judicial system, as well as the independence of the judiciary and safeguarding the rule of law. The latter are important priorities for the EU and Serbia in light of Chapter 23 accession requirements.

**13. Based on these inputs and its own assessment, the MTR Team concluded that the project is on track to achieving its development objective and recommends that the project be augmented from 2019 onwards.**

### III. PROJECT RESULTS AND ACHIEVEMENTS

**14. Stakeholders noted that the Bank's high quality advisory services and analytics have been a catalyst for reform activities.** Many of the activities rolled out to address Serbia's justice sector reform needs, both immediate and long-term, were based on the Bank's analytical work, such as the 2014 Judicial Functional Review and the interactive map of victim support services. The analytics, which were always timely, included actionable recommendations that could be implemented promptly through the MDTF-JSS.

**15. With support from the MDTF-JSS, Serbia made significant progress towards strengthening its justice system.** The MDTF-JSS provided critical support to the development of informed strategy and decision making. The Judicial Functional Review served as a baseline for the development of the Chapter 23 Action Plan which was as a condition for opening negotiations with the European Union. A monitoring mechanism, which is led by the Ministry of Justice, is in place. Justice institutions across the sector, and civil society organizations also participate in monitoring the implementation of the Action Plan. The State Prosecutorial Council and the MDTF-JSS team worked together to develop the SPC's 5-year Action Plan and an Analysis of the Arrears and Analysis of Budget Estimates for the Operation of the SPC and Public Prosecutor Offices. These analytical documents led to a decrease in arrears in Public Prosecution and optimization of human resources.

**16. In the period 2013-2017, many successful activities of the MDTF-JSS focused on improving the efficiency of the courts.** As at 31 December 2016, enforcement backlogs had been reduced by 51% and nonenforcement by 11% (partial attribution to MDTF-JSS and EU funded JEP). These activities, including those that sought to reduce the backlog of cases and streamline judicial processes, are not only critical to improving court performance, but to promoting positive perceptions and thus public support for the different arms of the judicial system. Moreover, given limited resources, ensuring the most efficient use of resources is paramount. The MDTF-JSS interventions included: work on reducing case backlogs through the development of backlog reduction plans and monitoring mechanisms, harmonization of the law, introduction of the Courts Rewards Program, and training of data analysts.

**17. To improve access to justice, MDTF-JSS initiatives also focused on broadening access to the judiciary for the poor and weaker members of society.** The MDTF-JSS activities included: supporting the establishment of Victim Support Services, increasing awareness about free legal aid providers through the development of an interactive map of free legal aid services, developing of a Self-Representation Guide and animated video, and assisting victims to navigate the criminal justice system.

**18. To strengthen the capacities of judicial stakeholders, the MDTF-JSS organized various trainings and workshops.** According to the Annual Progress Report on Recipient Executed Trust Fund<sup>10</sup>, at the end of 2017, 957 judicial stakeholders participated in training

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<sup>10</sup>[http://mdtfjss.org.rs/archive//file/Annual%20Report%20for%202017%20MDTF-JSS%20Recipient-%20Executed%20Grant\(1\).pdf](http://mdtfjss.org.rs/archive//file/Annual%20Report%20for%202017%20MDTF-JSS%20Recipient-%20Executed%20Grant(1).pdf)

and workshops in targeted fields. A post-training survey revealed that 95 percent of the participants reported that the training was useful for their daily work, while 83 percent reported that their skill levels had improved as a result of the training. **Annex 1** documents the project's results under the three outcome indicators.

**19. While the MDTF-JSS implemented a wide range of activities, stakeholders highlighted some interventions as particularly impactful.** These span the Bank-executed advisory component and the Government-executed Grant. They are:

- a) **The Judicial Functional Review** is the MDTF-JSS's flagship product and is recognized as one of the key outputs. It was repeatedly described as comprehensive and fungible, fulfilling a range of needs among the various stakeholders. The Review is an all-encompassing inventory of the justice sector's performance and remaining challenges vis-a-vis EU standards and it enabled the pro-active implementation of the Chapter 23 Action Plan. Donors found the Functional Review very valuable; the EU delegation based its five-year plan on it. There are plans to update the Review to reflect the changes that the justice system has undergone and to identify new areas and priorities for reform. At the SPC's request, a Functional Review of the Prosecution Service will be conducted in the near term.
- b) **The Courts Rewards Program**, which was designed to motivate first instance courts to improve their efficiency and productivity in processing cases, is most often singled out as emblematic of the project's success. Serbia is one of the only countries in the world with a rewards program that encourages positive competition in the judiciary and promotes justice for citizens and businesses. Through the MDTF-JSS, the Bank partnered with the Supreme Court of Cassation (SCC) to issue annual awards to courts that had the largest improvement in backlog reduction and number of cases resolved per judge. Winning courts received financial awards which they could use to purchase ICT hardware, office equipment or to improve the aesthetics of the courthouse. Winners were also recognized at an awards ceremony held during Serbia's Annual Conference of Judges. Rewarding court staff in this way helped to increase efficiency without impacting the quality of justice. The program was so successful that it has been embedded in the Court Book of Rules.
- c) **Support to the backlog reduction.** With help from MDTF-JSS, the SCC is monitoring the implementation of backlog reduction programs that were developed by individual courts. The MDTF-JSS supports regular meetings of the SCC's Working Group for Backlog Reduction. About 35,000 backlogged cases were resolved in 2016 and 2017.
- d) **Targeted assistance to the Supreme Court of Cassation** not only helped to increase efficiency and improve the quality of Serbia's justice system, it also diversified the portfolio of justice institutions working under the MDTF-JSS as recommended by the donors and national stakeholders. The Backlog Reduction Working Group operating under the auspices of the SCC has helped to de-congest the courts and speed up the resolution of disputes. The most positive results in backlog reduction were in the basic courts and the commercial courts. Progress has also been made in the harmonization of case law. In 2014, the Supreme Court of Cassation adopted a program for harmonization of case law

designed to improve the quality and consistency of decisions handed down by different courts. This process has also contributed to ensuring that Serbia's laws and their interpretation are consistent with EU jurisprudence.

- e) **The 2013-2014 Experiences and Perceptions of Justice survey, which was a follow up to the 2009 baseline survey, is among the most comprehensive justice surveys in the world.** The survey helped to frame some of the MDTF-JSS's focus areas and to inform policy making. The survey revealed, among other things, that public trust in the judiciary was low, and that more needed to be done to address inefficiencies in the justice system, by for example, improving the quality of court services and enlarging access to justice by reducing litigation costs. Many of the MDTF-JSS activities were designed to address these particular challenges. The survey was found to be so valuable that a similar survey was carried out in Montenegro. In addition, given that the surveys proved to be very effective in measuring the impact of judicial reforms, the Bank team agreed with The Directorate-General for Justice and Consumers (DG JUST) to conduct similar surveys in Eastern Partnership Countries (Ukraine, Armenia, Azerbaijan, Georgia, Belarus and Moldova) and Western Balkan Countries.
- f) **Supporting the State Prosecutorial Council and the Public Prosecutors' Offices with budget planning and tracking of arrears has enhanced their technical capacity to effectively manage and plan their resources.** Both the SPC and the PPOs now have a better understanding of the budget planning process and can negotiate their budgets more effectively and more transparently. Also, they now have the capacity to use and channel their resources more efficiently.
- g) **The victim support services activities were impactful.** The human rights focus enriched the MDTF-JSS in quality and scope and began an important conversation about improving service delivery for victims of crime. This initiated a process of enlarging access to justice and helped Serbia to begin to align its victim support services to the minimum standards established in EU Directive 2012/19.
- h) **Through support from the MDTF-JSS, key actors in the justice sector have improved their reporting and communication.** One of the findings from the Perceptions of Justice Survey was that the public has limited knowledge of and understanding of the results of the work done by the courts and prosecutors, and generally, what constitutes judicial work. Also, the public believes that reports prepared by judiciary are difficult to read and understand and are therefore only useful to the judiciary. This finding prompted the design of a range of activities to improve the judiciary's visibility and transparency. For example, the Supreme Court's Annual Report, which used to be 500 pages long, has now been shortened into a 50-page document, reformatted in a manner that makes the document more user-friendly including enabling performance data to be extracted and used much more easily. Providing information in a digestible form that is more accessible to the public and other stakeholders has enhanced the court's transparency. The report is published on the SCC's website.
- i) **The capacity of officials across Serbia's justice sector has been strengthened through both formal training and peer to peer learning.** By December 2017, the number of

officials trained exceeded the target that had been set (500). 957 officials had been trained and 95% of the participants indicated that the training was useful. The courses, which focused primarily on practical skills training, were identified and designed by stakeholders and implemented in co-operation with the SCC, the Appeal Courts and the Judicial Academy. Training programs included a caselaw harmonization workshop, a workshop on increasing the capacity and quality of commercial courts' personnel, a conference on the rollout of the new law on Enforcement and Security, and the annual conference of the Appellate Commercial Court. Members of the judiciary also had the opportunity to participate in a study visit to the European Court of Human Rights and the Council of Europe in Strasbourg.

- j) **The RAFU (Reform and Accession Facilitation Unit) which operates under the recipient-executed component of the MDTF-JSS has played a key role in promoting a sector wide approach to justice reform.** By supporting key personnel in different agencies across the justice sector, individual RAFU consultants have **transferred knowledge and technical expertise to government officials who previously lacked some of the capacity needed to facilitate the EU accession process.** Also, the RAFU consultants prepared sector strategies and plans and were instrumental in consultations on, and the drafting of the Chapter 23 Action Plan.
- k) **The development and regular updating of a dedicated MDTF-JSS website** that includes all activities, reports, audits, aide memoires and other project documentation was critical to the success of the Trust Fund Administration and management component of the project. The website provides greater transparency and improved communication among the World Bank team, the donors and beneficiaries.

## IV. MDTF-JSS MODALITY AND MANAGEMENT

20. **As a modality of cooperation, the MDTF-JSS has certain characteristics that have made it particularly useful in a dynamic country context, addressing complex implementation arrangements, and dealing with a very complex area of reform.** The MDTF-JSS's impact and leverage can be attributed to its adaptability and responsiveness. In particular:

- a) **MDTF-JSS activities have provided pragmatic and expeditious results that are scalable, create momentum for reform and respond to Serbia's needs.** For example, the MDTF-JSS helped the State Prosecutorial Council (SPC) to design a website that provided additional transparency to the Council's operations. Recognizing the value of the approach, the Public Prosecutor's Offices (PPOs) and the Courts requested support to similarly improve their own websites. The MDTF-JSS's ability to quickly identify and optimize achievements has contributed to knowledge sharing, and improved co-ordination between the different agencies in the sector and is illustrative of the benefits of a sector-wide approach.
- b) **Serbian stakeholders commended the partnership-like approach of the MDTF-JSS.** Decisions on project activities are taken following consultation at Management Committee meetings and in partnership with Serbian stakeholders involved in the

activities. This has encouraged the beneficiaries to recognize themselves as the main drivers of reform and thus creating a strong sense of ownership and partnership in the reform agenda and the activities funded by the Trust Fund.

- c) **The convening power of the MDTF-JSS, managed by the World Bank, has been recognized by both national and international stakeholders.** The MDTF-JSS and the Bank Team are perceived as an unbiased actor, genuinely interested in making a sustainable change in the justice sector. In addition, the Bank team insists that all parties are treated equally which promotes a culture of dialogue and consensus building.
- d) **The MDTF-JSS is viewed as flexible.** This was repeatedly identified as among the greatest strengths of the Trust Fund. In particular, the flexibility of the task team and the swift identification and implementation of activities, without compromising on quality, were received positively by justice institutions in Serbia. This is because it allowed complementarity with other donors' initiatives and adaptability to the inevitable changing circumstances of a justice sector as the reform agenda developed. For example, it was agreed with the EU that the work on victim support services would lay the foundation for future IPA (Instrument for Pre-accession Assistance) financing.

**21. The efficacy of the Bank's Administration and Management of the Trust Fund was recognized by stakeholders.** In particular, stakeholders expressed their appreciation of efforts made to promote dialogue among the project's donors and other project stakeholders. Special mention was made of the periodic Management Committee meetings, the partners' forum, the periodic distribution of newsletters, constant updates to the MDTF-JSS website which include links to all project activities and documentation, and the bilateral meetings held as needs arise.

**22. Stakeholders commended the MDTF-JSS task team for its competence and subject matter expertise.** The task team's ability to move quickly from idea stage to implementation of the various activities has been critical to the success of the project, as has the team's efficient use of resources. All the MDTF-JSS stakeholders, including donors and beneficiaries found the task team to be professional, accessible and responsive. The judges and prosecutors noted that they appreciated the task team's frequent visits to the courts and prosecutor's offices to facilitate the quick identification of potential activities as well as ensure positive advancements in ongoing activities.

**23. Despite recent progress, Serbia's justice sector still faces numerous challenges that will need to be addressed to enable Serbia's full integration into the EU.** Additional improvements are needed in the quality of the sector's outputs, overall efficiency of the system, and access to justice for all citizens. The MDTF-JSS has supported a wide range of activities, some small, across the justice sector, in collaboration with various justice stakeholders to address particular needs in each of these areas. The broad range of activities may appear fragmented at first blush, but upon closer examination the activities are targeted and respond to the specific needs of the justice sector. The individual activities collectively contribute to the longer-term goal for Serbia to be integrated into the EU (See the Results Framework in **Annex 1**).

**24. The sector-wide approach and the demand-driven activities have enabled the MDTF-JSS to achieve meaningful results in a dynamic context.** Cumulatively, the MDTF-JSS' outputs have enhanced the performance of the judiciary by improving quality, increasing efficiency, and enlarging access to justice. However, there is still room for additional support to further improve Serbia's justice system, focusing more on quality, integrity and access to justice by enhancing public trust in the system, strengthening the capacity of judicial officials and clarifying roles of personnel across the sector, as well as improving critical operational systems such as budgeting and human resources.

## V. FIDUCIARY ISSUES

**25. The MDTF-JSS includes a child trust fund dedicated to the supervision of the Government-executed Grant.** This is because, unlike most donor projects in Serbia, the MDTF-JSS finances the Government directly to implement activities, facilitate reforms and monitor progress. For some agencies, this modality is a little unfamiliar, requiring them to be responsible for aspects usually handled by the donor, such as procurement. For other agencies, this approach has worked well. They report that it is in line with government systems and increases ownership over the activities. This modality also contributes to the sustainability of results and supports adjustments to government implementation systems to better position them to absorb future EU assistance which would be channeled through sector budget support. On balance, the MTR finds that this modality is preferable, as it maximizes stakeholder ownership, encourages inter-agency coordination, and builds State capacity. However, it requires firm supervision and oversight to ensure full fiduciary compliance and value for money for donors financing the project.

**26. Procurement arrangements have been satisfactory for the life of the project.** Under the Bank executed advisory component, procurement is conducted using World Bank corporate procurement rules. Stakeholders reported that implementation progress has been fast under this component; the Bank issues no objections in a timely manner and there have been no delays in implementation due to Bank procurement. Under the Government-executed Grant, an experienced procurement specialist worked in the project implementation unit (PIU) from the project's inception through to the end of 2017 before resigning.<sup>11</sup> Although based at the MOJ, the procurement specialist worked with all agencies across the sector to prepare and roll out procurement processes.

**27. Financial management arrangements have been satisfactory for the life of the project.** Under the Government-executed Grant, an experienced financial management specialist has worked at the PIU from the project's inception. All audit reports for the Grant have offered clean opinions. Records have been maintained and Bank policies and procedures complied with. In addition to annual audits of the Grant, all components of the MDTF-JSS were subject to the European Commission's Residual Error Rate Study in 2017. The RER Study also issued a clean opinion.

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<sup>11</sup> When the MTR mission was conducted, the MOJ had not yet hired a new procurement specialist. However, the MOJ brought a new procurement specialist on board in March 2018.

## VI. LESSONS LEARNED

**28. Engagement in the justice sector promoted synergies which added value to the Bank's portfolio in Serbia.** The MDTF-JSS is fully integrated into a dynamic country portfolio. For example, activities on insolvency procedures and the business climate reform were implemented in collaboration with teams from Finance, Competitiveness and Innovation, Macroeconomics, Trade and Investment and the International Finance Corporation (IFC). Teams from Social Development were also involved in the work on access to justice for vulnerable groups. The MDTF-JSS proved to be an effective tool for cross Global Practice collaboration and delivery of results.

**29. A sector wide approach increases leverage, promotes partnership and encourages convergence across the sector.** The MDTF-JSS engages with and convenes a range of stakeholders in the justice sector, including the Ministry of Justice, courts, prosecutors, police, civil society organizations, and training institutes. By bringing all the stakeholders together, the MDTF-JSS encouraged collaboration within the sector which helped to extend the reach and impact of project activities. As a result, the project evolved from a donor-focused to a more client and reform driven approach that promoted dialogue and partnership internally, and with the donors.

**30. A multi-donor mechanism creates economies of scale and improves coordination.** The MDTF-JSS brings together multiple donors who have an interest in strengthening Serbia's justice sector. This concerted approach to reform, across the justice sector, enabled deep engagement in an area often believed to be too hard and too fragmented. By bringing all the donors into "one room" the MDTF-JSS streamlined reform activities and encouraged a unified approach to key reform activities in the immediate term, and shared strategic direction on how to tackle the broader reform agenda in the long term.

**31. That said, more could be done to better coordinate the preferences and administrative arrangements of the multiple donors.** Over the course of the project, it became clear that visibility, and consistent and timely communication are of paramount importance to the donors. In addition to a regularly updated website and the dissemination of key project documents, donors would like to be more involved in project activities where possible, for example, by participating in conferences and launches. Consistent updates that document how project activities contribute to the results chain are also a top priority for donors. In the same vein, the results framework needs to be improved and project activities need to be linked more clearly to the project development objective.

**32. A project should not place funds in a component that is dependent on the government's adoption of a law, especially when the law in question is controversial.** Because the law on free legal aid was not passed as envisioned, planned activities on free legal aid could not be implemented. To mitigate the situation, the component was adapted to include a broader set of access to justice activities, but the component is still somewhat under-disbursed. In future, such situations should be avoided.

**33. The MDTF-JSS is a high touch project that requires a large inter-disciplinary team of international, regional and local experts.** The nature of the project and the context within which it is implemented demands deep knowledge of how the system works, and an understanding of the dynamics at play across the sector, all the while drawing on international best practices. Without a combination of these factors, it would have been challenging to provide “best-fit” solutions.

**34. Over time, the MDTF-JSS has got better at working with its non-English speaking stakeholders. In the early years, all documentation produced by the Bank was in English.** Most of the Bank task team speak Serbian and are based in Belgrade for meetings with stakeholders at their convenience. The project also has experienced translators who are known to stakeholders. Still, most information on the MDTF-JSS website is in English and aide memoires and management letters are only available in English. To improve communication and promote a trust-based relationship with Serbian stakeholders and other key actors, it may be worthwhile to translate the main sections of the MDTF-JSS website into Serbian.

**35. The project’s flexibility and agile approach is important given the dynamic country context.** In the past, the MDTF-JSS identified reform opportunities as they emerged, and in consultation with stakeholders, implementation of the project was adjusted accordingly. Going forward, this opportunistic and “problem-driven iterative approach” should be maintained and leveraged to deepen engagement in existing areas and to respond quickly to emergent opportunities that contribute to the broader reform agenda.

**36. Building the capacity of key personnel is an important part of strengthening the justice sector and should be managed strategically.** Over-reliance on external (RAFU) consultants financed by the MDTF-JSS could potentially undercut the beneficiaries’ ability to build up internal capacity, raising issues of sustainability. However, the consultants also play a critical role in strengthening institutional capacity across the justice sector, and the project would not have achieved some of its key milestones without them. As the capacity of personnel in justice institutions improves, the role played by external consultants should also be reduced. Alternatively, external consultants can be engaged for very specific assignments and for a specific period with a view to transferring specific knowledge and skills to key personnel in justice institutions.

## VII. GOING FORWARD

### PROPOSED FUTURE DIRECTION

**37. The widespread sentiment among MDTF-JSS stakeholders is that the project is on track to achieving its development objective to provide support to strengthen Serbia’s justice sector to facilitate its integration to the European Union.**

**38. Despite the positive steps already taken, reforming the justice sector is a particularly challenging task as it involves an institutional, cultural and political transformation.** As such, there are still challenges that Serbia’s justice sector needs to address to ensure full

independence of the judiciary, transparency of processes, an improvement in the quality of justice services, access thereto and effective rule of law. Many of these challenges were acknowledged by project stakeholders during the MTR mission. The resolution of these challenges was also flagged as an important priority, critical to building a strong justice sector and integral to the EU accession process.

**39. Against this background, as well as the success of the MDTF-JSS to date, stakeholders agreed that the MDTF-JSS should be extended beyond 2018 in order to continue supporting justice reform in line with EU standards and to accelerate Serbia's accession to the EU.**

**40. As Serbia moves resolutely towards EU integration, strengthening the rule of law has emerged as a priority.** Therefore, the next phase of the MDTF-JSS would need to increase its level of ambition and be more strategic and selective in its target beneficiaries and areas of focus. This means identifying and implementing more targeted and perhaps fewer activities which are centered around the key elements of Chapter 23 that Serbia still needs to address to apply the *acquis* and European standards in its judiciary.

**41. Moving forward, the MDTF-JSS should prioritize strengthening the independence of the judiciary, improving accountability, integrity and professionalism in key justice institutions and enhancing transparency and access to justice.** EU Member States are expected to have high quality judiciaries. Judiciaries of high quality are synonymous with independence and integrity. Therefore, in compliance with EU accession requirements and the tenets of a well-functioning justice system, future activities should be designed to support Serbia to strengthen the independence of the judiciary and to improve accountability in justice sector institutions. Closely tied to principles of accountability and transparency is the issue of trust. Stakeholders in Serbia's justice system have been working hard to improve the public's perception of the sector, and to reverse the erosion of trust in the effectiveness of justice institutions. Therefore, future project activities that improve the quality and integrity of justice institutions (including the quality of justice services rendered) and that enlarge access to justice will demonstrate Serbia's commitment to strengthening the public's trust in the justice system. To promote adherence to core principles of the rule of law, the next phase of reforms could also focus on improving the capacity of individuals to articulate their legal needs and exercise their rights effectively and on improving the state's capacity to provide accessible and quality legal and justice services.

**42. To this end, the task team and the donors could consider adopting a more citizen-centric approach to the judicial reform process in Serbia.** This could be achieved by increasing the transparency and accountability of institutions as well as fostering demand-side governance, to ensure that justice institutions are not only capable and efficient but are also inclusive and accountable to citizens and responsive to their needs. This would be in line with various global agendas, international best practices and EU accession requirements.

## TRUST FUND ADMINISTRATION AND MANAGEMENT

**43. To address issues raised by some donors, a few changes to the administrative aspects of the MDTF-JSS could be considered.** Donors raised concerns that the link between individual project activities and the MDTF-JSS outcome indicators was not always clear. Consideration could be given to clarifying the language of the results framework and better clarifying how project activities relate to the PDO.<sup>12</sup>

**44. Donors expressed a desire for improved communication with respect to the development and completion of project activities.** It is recommended that:

- a) Donors be given greater prior notification of project activities in order to facilitate their participation, where possible, and maximize opportunities for visibility of the activities, both internally i.e. in Serbia, but also externally i.e. at the EU level.
- b) The number of Management Committee Meetings be increased from two, to three or four a year.

**45. The MDTF-JSS's efforts to strengthen Serbia's justice sector are fundamental to the country's overall development goals and are key to building a business environment that attracts investment and promotes sustainable growth.** Hence, the country management unit (CMU) and senior management, in general, might consider contributing to raising the project's profile and visibility through more active participation and engagement. For example, by participating in conferences and facilitating discussions on additional reforms, particularly in the areas of rule of law and transparency.

**46. The MDTF-JSS' judicial reforms have been highly impactful and have contributed to transforming Serbia's justice sector.** As delineated in the 'Project Results and Achievements' section, interventions under the project have produced positive results, that are highly regarded by the Government, the donors and the beneficiaries. Serbia's justice system has been strengthened in form and in substance and now possesses some of the characteristics required of an EU Member State's judiciary. Naturally, these reforms will need to be monitored on a regular basis and improved upon where appropriate in order to ensure that they remain effective. Serbia is now primed for the next generation of reforms which will facilitate its integration into the EU.

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<sup>12</sup> The current MDTF-JSS structure identifies three project components, namely A) the Bank-Executed Advisory Services (which includes three outcome indicators (1) Strategies and plans are developed and monitored; 2) Technical assistance and analyses raise awareness of issues facing the justice sector and inform policy and decision making; and 3) Capacity of key personnel is strengthened through knowledge transfer), the B) Supervision of the Government Executed Grant and C) Trust Fund Administration and Management.

## ANNEX 1: RESULTS FRAMEWORK

The project development objective (PDO) is to ‘**provide support to strengthen the Republic of Serbia’s justice sector in order to facilitate its integration into the European Union**’.

The following outcome indicators apply to both Bank Executed Advisory Services and Recipient Executed Activities:

- (i) strategies and plans are developed and monitored;
- (ii) technical assistance and analyses raise awareness of issues faced in the justice sector and inform policy and decision making; and
- (iii) capacity of key personnel is strengthened through knowledge transfer.

The assessment below is of activities conducted under the Bank-Executed and the Recipient-Executed Trust Fund in the period 2016-2017 that address the three outcome indicators. The **baseline** for measuring progress of the MDTF-JSS is 1 January 2016.

#	Indicator	Baseline at 1 January 2016	Target by 31 December 2018	Major activities addressing indicators at 19 January 2018 (MTR mission)
1	Strategies and plans are developed and monitored:  The Chapter 23 Action Plan (CH 23 AP) and key reform strategies and action plans (NJRS, backlog reduction plan etc.) are developed, monitored and updated as necessary with a view to improving the justice sector’s performance	The justice sector’s capacity to develop and implement strategies and plans is weak. Mechanisms for monitoring strategies and plans and coordinating implementation are also weak.	Strategies, action plans and related plans are developed, monitored and updated.	Bank Executed Trust Fund <ul style="list-style-type: none"> <li>– Institutional Assessment of victim support services and the comparative analysis of EU experiences.</li> <li>– Outline for the SPC’s 5-year Action Plan.</li> <li>– Assessment of the alignment of Serbia police legislation with the EU 2012/29 Victim Support Directive (April 2017)</li> </ul> Recipient Executed Trust Fund: <ul style="list-style-type: none"> <li>– CH23 AP adopted on April 27, 2016, and the Chapters 23 &amp; 24 in accession negotiations with the EU, opened on July 18, 2016.</li> <li>– The implementation of the CH23 AP is regularly monitored, and quarterly reports on implementation are available on the MoJ’s website.</li> <li>– Brief biannual reports on implementation of the CH 23 AP are provided to the EC and, upon submission, are also available at the MoJ’s website.</li> <li>– Additional strategic documents are implemented and monitored: the National Strategy for the Prosecution of War Crimes, the CH 23 AP</li> </ul>

				<p>for the Exercise of the Rights of National Minorities, the Roma Inclusion Strategy.</p> <ul style="list-style-type: none"> <li>– Given the coordinating role of the MoJ with regard to Chapter 23, all strategic documents associated with this chapter are closely monitored by the MoJ and their implementation is supported sector-wide.</li> <li>– Successful cooperation with civil society i.e. the National Convent for Accession to the EU and other CSOs, continued throughout 2017, through discussion on the implementation of the CH 23 AP.</li> </ul>
2	<p>Awareness is raised, and policy decision making are informed:</p> <p>Awareness of key challenges facing the sector is raised, and MDTF-JSS analytical work/technical assistance informs policy/decision-making to improve justice system performance.</p>	<p>The justice sector lacks a culture of evidence-based policy/decision-making. Stakeholders lack in-depth knowledge of key challenges, comparative experiences, and reform opportunities.</p>	<ul style="list-style-type: none"> <li>– Stakeholders report that MDTF-JSS analytical work/technical assistance has raised their awareness and/or deepened their knowledge.</li> <li>– Stakeholders report that they use the MDTF-JSS' analytical work/technical assistance to inform policy/decision-making.</li> </ul>	<p>Bank Executed Trust Fund</p> <ul style="list-style-type: none"> <li>– Institutional Assessment of victim support services and the comparative analysis of EU experiences.</li> <li>– Analysis of Information Compensation and Mediation Victim Support Protection Respect and Recognition</li> <li>– Analysis of Victims' Rights and Services in Serbia and their Alignment with EU Directive 2012/29</li> <li>– The Assessment of the Alignment of Serbian Juvenile Legislation with the EU 2012/29 Directive was prepared in May 2016</li> <li>– Assessment of the Alignment of Police Legislation with the EU 2012/29 Directive</li> <li>– Training Needs Assessment for the SPC</li> <li>– Analysis on Budget Estimates for the Operation of the State Prosecutorial Council and Public Prosecutor Offices</li> <li>– Analysis of Arrears of PPOs</li> <li>– Needs Assessment for the commercial courts to identify their specific needs and future programing for the MDTF-JSS Work Plan 2016-2018</li> <li>– Analysis of Legislation, Policy Documents and Practice Guidelines Relevant to the Responsibilities of Serbian Police When Dealing with Victims of Crime</li> <li>– Overview of Existing Victim Support Services in Serbia</li> <li>– Analysis of "Operating Networks for Victim Support Services</li> <li>– "Ensuring Funding for Victim Support Services report</li> <li>– Functional Review of Prosecution Service in Serbia.</li> <li>– Analysis of Arrears of Public Prosecutors Offices in Serbia"</li> <li>– training needs assessment (TNA) of the HJC administrative office staff and made training recommendations</li> </ul>

				<ul style="list-style-type: none"> <li>– Analysis of Court Arrears” at the request of the HJC</li> <li>– Analysis of Prosecutor’s Office Web Sites in the Republic of Serbia</li> </ul> <p>Recipient Executed Trust Fund:</p> <ul style="list-style-type: none"> <li>– Assessment of the current state of play of the process of alignment of Serbian criminal legislation with relevant EU standards under Ch 23,</li> <li>– Analysis of the amendments to the Section XXII of the Criminal Code,</li> <li>– Analysis of the conditional release implementation related to medical security measures in Serbian penal sanction system, Analysis “Action plan for Chapter 23: strategic framework for improving relations between the judiciary and media in the Republic of Serbia”;</li> <li>– Analysis of alignment of criminal legislation with EU standards in CH23 in the field of economic criminal offences; Analysis of system of enforcement of criminal sanctions; Analysis “Free Legal Aid – international legal standards, legislative framework and practice in Serbia”, Analysis “Free Legal Aid and access to justice in criminal proceedings” ,Analysis of the proposals regarding constitutional changes in judiciary</li> <li>– Standardized methodology and Guidelines for description of jobs (particularly typical jobs,) in court administration and the judiciary</li> <li>– Draft Law on personal data protection</li> <li>– Third periodical state report was presented to the UN Committee on the Human Rights</li> <li>– Action Plan for fulfilling MONEYVAL recommendations</li> <li>– Six roundtables on Constitutional amendments</li> <li>– Public debate on Constitutional amendments</li> <li>– Innovative SCC Annual Report</li> <li>– Web-based software application "Online register of Notaries”</li> <li>– Promotion of the Use of Alternative Dispute Resolution Methods</li> </ul>
3	Capacities are strengthened:  Various trainings & workshops strengthen individual capacities of key personnel in	Capacity in the justice sector is generally low with excessive variation in capacity and competencies among key personnel, and	– At least 500 people participate in training & workshops in targeted fields.	Bank Executed Trust Fund  Quality – Workshop on case-law harmonization

<p>the sector. Knowledge is transferred from experts/consultants to key personnel.</p>	<p>between institutions. Lack of coordination and training, and limited skills transfer. Challenges with capacity are documented in the 2014 Judicial Functional Review.</p>	<ul style="list-style-type: none"> <li>- At least 80% of the participants report that training was useful.</li> <li>- At least 80% of the participants report that the training was useful for their daily work and that it improved their skills.</li> </ul>	<ul style="list-style-type: none"> <li>- Conference on the rollout of the new Law on Enforcement and Security</li> <li>- Annual conference 2016 of the Appellate Commercial Court</li> <li>- Victim Support Services in Serbia Conference</li> <li>- Victimology Society of Serbia workshop on national survey and mapping exercise.</li> <li>- Roundtables to discuss with key stakeholders the findings and recommendations presented in the three most recent reports.</li> <li>- Translation and printing of the SCC Semi-Annual Report on the Work of Courts</li> <li>- The Annual Conference 2017 of Commercial Judges</li> <li>- Counseling workshop with commercial judges focused on "Implementation of the Law on protection of trial within reasonable time in bankruptcy proceedings</li> <li>- Handbook on Serbian Bankruptcy Law</li> <li>- Third Global Forum for Associations of Prosecutors</li> <li>- One-day course on digital signing of official documents</li> </ul> <p>Efficiency</p> <ul style="list-style-type: none"> <li>- Design and implementation of first Court Rewards Program</li> <li>- Second round of the Court Rewards Program, with SCC</li> <li>- Development of budget preparation and management information system (BPMIS)</li> <li>- Development of integrated human resource management information system (HRMIS) for the HJC and SPC</li> <li>- Developing a unified model for PPO websites.</li> </ul> <p>Access</p> <ul style="list-style-type: none"> <li>- Designed and developed an interactive online map of existing victim support services in Serbia 2017</li> <li>- "Self-Advocacy Guide for Citizens" publication</li> <li>- First Time in Court or at a Courthouse" publication</li> </ul> <p>Recipient Executed Trust Fund:</p> <ul style="list-style-type: none"> <li>- 86% participate in training &amp; workshops in targeted fields.</li> <li>- 95% participants report that training was useful for daily work.</li> </ul>
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## ANNEX 2: LIST OF INTERVIEWS

- 1. Ministry of Justice**  
Mr. Cedomir Backovic, Assistant Minister
- 2. Embassy of the Kingdom of the Netherlands**  
Mr. Aleksandar Momirov, Senior Policy Advisor  
Ms. Dicky Methorst, Regional Rule of Law Coordinator
- 3. YUCOM**  
Lawyers' Committee for Human Rights  
Mr. Milan Antonijevic, Director
- 4. State Prosecutorial Council**  
Public Prosecutors
- 5. Supreme Court of Cassation**  
Mr. Dragomir Milojevic- President
- 6. Embassy of Sweden**  
Mr. Ola Andersson, Counsellor at the Embassy of Sweden  
Ms. Svetlana Nesovic, Programme Officer, Development Cooperation Section
7. Ms. Majda Krsikapa, Former General Secretary of HJC
- 8. Judicial Academy**  
Mr. Nenad Vujic, Director
- 9. British Embassy in Serbia**  
Ms. Sanja Torov, Policy Officer  
Ms. Natasa Radovic, Good Governance Programme Manager
- 10. EU Delegation**  
Mr. Enrico Visentin  
Ms. Úna M. Kelly - Justice Sector Programme Manager  
Ms. Mirjana Cvetkovic, Legal Officer
- 11. Supreme Court of Cassation**  
Ms. Snezana Andrejevic- Judge  
Ms. Sonja Prostran, Consultant
- 12. RAFU Consultants**  
Ms. Milica Kolakovic Bojovic  
Ms. Darja Koturovic  
Ms. Maja Prelic  
Mr. Vladimir Vukicevic  
Ms. Ivana Nincic

Mr. Milan Bojic

**13. IFC**

Mr. Igor Matijevic, Senior Financial Sector Specialist

**14. Association of Public Prosecutors and Deputy Public Prosecutors of Serbia**

Mr. Goran Ilić, Deputy Republic Public Prosecutor; Deputy Chairman of the State Council of Prosecutors; Commissioner for the Independence of Prosecutors

**15. Judges' Association of Serbia**

Ms. Dragana Boljevic, President of the Judges' Association of Serbia and Judge of the Belgrade Court of Appeal

**16. OSCE Mission to Serbia**

Mr. Arthur Graham, Head of the Rule of Law and Human Rights

Ms. Dina Dobrkovic, Legal Advisor

Ms. Ivana Ramadanovic, Legal Advisor

**17. High Judicial Council**

Ms. Mirjana Pavlovic - General Secretary

**18. USAID Contractor**

Ms. Dragana Lukić, Deputy Chief of Party