



## 1. Project Data

**Project ID**  
P090309

**Project Name**  
JUDICIAL REFORM

**Country**  
Romania

**Practice Area(Lead)**  
Governance

**L/C/TF Number(s)**  
IBRD-48110

**Closing Date (Original)**  
01-Apr-2011

**Total Project Cost (USD)**  
130,000,000.00

**Bank Approval Date**  
15-Dec-2005

**Closing Date (Actual)**  
31-Mar-2017

	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	130,000,000.00	0.00
Revised Commitment	121,018,004.82	0.00
Actual	130,926,282.34	0.00

**Prepared by**  
Zeljko Bogetic

**Reviewed by**  
Clay Wescott

**ICR Review Coordinator**  
Malathi S. Jayawickrama

**Group**  
IEGEC (Unit 1)

## 2. Project Objectives and Components

### a. Objectives

The project's development objectives are to increase the efficiency of the Borrower's courts and to improve the accountability of the judiciary resulting in reducing corruption and a more transparent act of justice (Loan Agreement, 4811-RO, January 27, 2006, p. 13).

### b. Were the project objectives/key associated outcome targets revised during implementation?



No

**c. Will a split evaluation be undertaken?**

No

**d. Components**

**1. Court Infrastructure Rehabilitation.** (Appraised cost: US\$85 million. Actual cost: US\$85 million). This component comprised rehabilitation and limited new construction of court buildings that were prioritized for rehabilitation and the development of uniform planning and design standards for courts.

**2. Strengthening of the Administrative Capacity of Courts.** (Appraised cost: US\$11.05 million. Actual cost: US\$11.05 million). This component comprised five sets of activities. First, it included a program of activities to reduce delays and a backlog of court cases. Second, it featured development of a framework for organizational and economic management of courts including training. Third, it included an array of activities, for example, optimization of court processes, upgrading of case registries, archives, recordings of proceedings, and case monitoring. Fourth, it featured public education and information activities. Finally, during the project, additional sets of activities on legislative reform were added, including work on new Civil Code, Civil Procedures Code, Criminal Code and Criminal Procedures Code, as well as Solvency Code.

**3. Court Information System** (Appraisal cost: US\$21.5 million. Actual cost: US\$21.5 million). Activities included development of a resource management system for the judiciary (while case management system was implemented under European Union (EU) financial support). An integrated resource management system (RMS) would cover all functions—human, financial, physical, as well as reporting and analytics—of resource management in the judiciary. The system would support RM at levels of individual courts as well as superior court of magistracy, Ministry of Justice, and the High Court of Cassation and Justice.

**4. Institutional Development of Judicial Institutions** (Appraisal cost: US\$6.61 million. Actual cost: US\$6.61 million). This included assistance to the various judicial institutions: Superior Council of Magistracy on judicial policy and performance and monitoring standards and public communications, Ministry of Justice on capital investment planning, human resource management, and budget planning and external communication, National Institute of Magistracy on developing new qualification tests for judges selection and promotion and training courses and curricula, National School of Clerks on strategic planning, training courses and delivery of e-training programs, and High Court of Cassation and Justice on budget planning and information and communication technology (ICT) upgrading, as well as monitoring project results, including via public surveys and court user surveys.

**e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

The €110 million (US\$130 million equivalent) project was approved on December 15, 2005. It was made effective on May 26, 2006. Original closing date was April 1, 2011 and the actual closing date was March



31, 2017. The project was restructured four times. The following were the dates of restructuring as well as the proximate, cumulative disbursements before each restructuring: (i) October 5, 2010, US\$8.27 million (ii) August 16, 2011, US\$19.63 million (iii) December 11, 2012, US\$53.86 million and (iv) March 12, 2015, US\$97.28 million (ICR, Annex 6 for the dates, and table on page 3, for the cumulative disbursements). The project took three years to begin disbursing because of inadequate preparation, which delayed the setting up of the project implementation unit (PIU). Once the PIU was operational, the project started disbursing. Restructurings were made to allow more time after initial delays to implement project components. The project components, core activities, focus and costs remained the same. Of the €110 million, the total of €102.3 million was disbursed (ICR p.95). World Bank financed 100% of the project costs. There was no government co-financing.

### 3. Relevance of Objectives

#### Rationale

**1. Alignment with the Bank country strategy.** The project was closely aligned with the first pillar of the Bank's country strategy focusing on "creating a 21st century government, including a well-functioning public administration that uses all public resources effectively" (World Bank and IFC CPF for Romania 2014-17, 2014, p.22, paragraph 78).

**2. Country context.** The project's focus on efficiency and accountability of the judiciary remained relevant for country conditions at closing. Before and during the entry into the EU, Romania's judiciary lagged in institutional capacity and strength. This is recognized also in the government's national program emphasizing efficient use of public resources as well as in remaining institutional weaknesses in the judiciary sector. The government's program was embedded within a broader program of EU institutional strengthening in member countries. The objectives were broadly outcome oriented with focus on efficiency, accountability and transparency in the justice sector and they were appropriate for the development status of a new EU member country and its capacity at the time.

**3. Previous sector experience.** The Bank had extensive experience in the Europe and Central Asia region and considerable diagnostic/knowledge work on Romania that has underpinned the preparation and design of the project. Examples are the regional report World Bank (2015) "Judicial Systems in Transition Economies: Assessing Past, Looking to the Future," the 2004 Programmatic Adjustment Loan (PAL-1) which supported reforms to strengthen the institutional and operational independence of the judiciary, as well as the government's study on Romanian court rationalization (2005) which informed the project design. The Bank has also actively engaged the stakeholders and civil society in the policy dialogue, which informed the project preparation. Also, the subsequent Programmatic Adjustment Loans (PAL-2 and PAL 3) had additional conditionality, for example, in establishing permanent administrative structure of the Superior Council of Magistracy (SCM) and adequate staff and budget (PAL 2) and development of new administrative procedures for judges administered by SCM (PAL 3). However, these loans had targeted only specific issues in the judiciary. Many sector issues remained unfinished, including weak institutional capacity of main judicial



institutions, inefficiency of courts reflected in long proceedings and a large backlog of cases, inadequate performance monitoring, as well as very inadequate equipment and infrastructure of courts resulting in chaotic proceedings and no electronic or audio records, which affected efficiency and quality of court decisions, accountability, and transparency. This loan has aimed to address these issues in a comprehensive package encompassing financing, training, ICT support and capacity building and technical advice across the sector. As such, it was a significant investment and a broader reform engagement.

## Rating

High

## 4. Achievement of Objectives (Efficacy)

### Objective 1 Objective

Achievement of objective 1: increased efficiency of the Romanian courts

### Rationale

The complete causal chain was not explicit at design. Implicitly, however, it could be reconstructed as in the ICR (p. 7). Broadly, the objective of increased efficiency was sought through improvements in the quantity, maintenance, and quality of key “inputs” into the judiciary: physical capital (e.g., civil works), human capital (e.g., training), IT, and institutions and processes. Activities in each of these areas sought to contribute to specific outputs and outcomes towards the objectives as noted below. The project document, however, articulates well the underlying problem the project aims to help resolve: weak capacity, inefficiency of courts reflected in the long duration of court proceedings and low quality of judgements, weak accountability, poor court infrastructure, and chaotic and insecure working conditions. These issues are, in turn, linked subsequently to the four project components, establishing a theory of change, from outputs leading to intermediate outcomes, and, in turn, to the achievement of project objectives, appropriate to the context and underlying problem. The results matrix included intermediate outcomes, often in quantitative form, with expected outcome in each project year. This was accompanied by detailed monitoring arrangements (Annex 3, Results Framework, Project Appraisal Document). In this regard, the project had a reasonable, albeit implicit theory of change.

This objective was measured in six broad areas, as follows:

**1. Improved court buildings.** This was the main investment activity. Efficiency of the courts was to be increased through rehabilitation of dilapidated and dysfunctional court buildings. The buildings rehabilitated up to the international standards would lead to improved use of space and workflow, enhanced capacity to handle court cases, strengthened security and work conditions, and improved morale of the court staff, thereby contributing to the better quality and more efficient handling of court decisions. This is an area of significant achievement. The project exceeded the planned project development objective (PDO) indicator



target of 15 court buildings. 12 courts were renovated, and four new ones built. The number of court rooms and counsel rooms were increased substantially, allowing increased and more efficient handling of the caseload. The use of Bank procurement procedure has improved timelines of the project compared to the counterfactual of using local procurement. Still there were delays in procurement but the civil works have exceeded the targets. Three waves of producer and user surveys of qualitative and quantitative information with a control group indicates improvements in quantitative metrics on outputs such as usable floor area, public waiting rooms, archive, and office space, as well as the number of computers and access to the internet. Also, greater satisfaction is reported with respect to basic infrastructure of the court (ICR, Annex 7, Survey Results). The ICR (p. 12) also cites a Court President stating that this component might have contributed to increased number and timeliness of the cases handled by the courts. The indicators are context and country specific.

**2. Reduced case backlog and improved timeliness.** The project aimed to reduce workload and streamline processes and timeliness of decisions across the network, contributing to overall efficiency of the system. While there is evidence of achievement compared to the baseline, it was less than expected. Efficiency of the courts was to be achieved by reducing the backlog of cases and improving timeliness of new cases as measured by the change in the number of cases disposed, leading to lower costs and greater benefits in the timely discharge of justice. Specific information about the courts tracked in the 5 pilots showed improvement in the number of cases disposed by 16% until 2015 but then the gain was not sustained and by 2016, it dropped to about 6% (below the 10% PDO indicator target). According to the broader, country-wide information reported in the EU Justice scoreboard, the overall clearance rate (ratio between the number of cleared and incoming cases in a reporting period) of religious, civil, and commercial cases has improved from about 90% to 110% in 2014 (ICR p.12). This ICR Review consulted the latest 2017 EU Justice Scoreboard, which shows that this indicator has since declined somewhat but remains above 100% (EU Justice Scoreboard 2017, [https://ec.europa.eu/info/sites/info/files/justice\\_scoreboard\\_2017\\_en.pdf](https://ec.europa.eu/info/sites/info/files/justice_scoreboard_2017_en.pdf) figure 8, p.9). Similarly, this source indicates that timelines of litigation of civil and commercial cases has improved. However, while the specific information on a small number of pilot courts shows improvement compared to baseline for much of the period, this gain has not been sustained at the level expected and, despite improvement in the related indicators for the country, it is difficult to relate the latter to the specific project activities.

**3. Introduction of an RMS.** Efficiency was to be enhanced by an improved human and financial resource management system that reduces costs, improves functionality and transparency and system wide management by integrating disparate applications used for various parts of the system. With hindsight, the integrated system was overambitious, not adequately attuned to the Romanian context, and in the end had to be redesigned in mid-course. Still, in the event, it was made with the key human resource module which is now live and functional and covers 35,000 staff, 90% of the judicial budget and Superior Court of Magistracy (CSM), High Court of Cassation and Justice (HCCJ) and another agency and is in the process of being rolled out to others. The module has passed the testing and has been accepted for functionality by key beneficiary agencies and CSM reports satisfaction with its functionality. Much less progress appears to have been made with the other two modules on finance and budget and there are old applications running in parallel. Also, this activity took much longer to implement, and cost more than originally envisaged. The RMS has not met the original target (human resource and payroll module technically ready to go live) and revised target (sustained use of RMS) but substantial progress towards it has been achieved. More agencies are



using the system and it is likely that its functionality and impact will improve in the future especially as the government budget has taken over financing of the unfinished modules.

**4. Optimization of workloads and processes.** The project aimed to improve efficiency by improving performance management and workloads and processes to better distribute cases across the court network and therefore improve workflow and productivity. To monitor efficiency of courts, uniform standards and indicators were set and tracking systems developed and published on the court portal and made available to the public. As a result, achievement was made at the level of outputs, but the system was put in place only in 2015. As a result, it appears early to assess efficiency gains and there is no project-specific evidence in this regard. The ICR presents some indirect feedback from other jurisdictions and from the European Commission (EC) but not directly related to specific project activity. At the level of outputs, a case flow management guide was developed and distributed to all judges with good practice recommendations on a range of activities. They set the stage for the 2015-20 government's Judicial System Development Strategy, which is expected to influence the further development of the judiciary in the coming years. Also, the target for CSM to adopt recommendations for optimization of court activities was fully met. But there is no obvious evidence of change with respect to outcomes.

**5. Updating the codes.** Efficiency and accountability was to be improved by introducing modern judicial Codes, leading to greater transparency, predictability, consistent law application and simplification of procedures. This activity features high achievement. Four major Codes were put in place and enforced, meeting the target, and bringing greater legal clarity and certainty: Civil Code (2011), Civil Procedures Code (2013), and Criminal Code and Criminal Procedures Code (2014). An EU report specifically notes that these codes have helped achieve faster court proceedings, more respect for fair trial rights and more consistent judicial decisions. A President of the Court of Appeals provided a similar assessment. While the cost of this achievement was less than 2 percent of project costs, the ICR rightly argues that it was transformational. Four impact studies on these codes were conducted to strengthen implementation and prevent implementation gaps. The project-supported studies facilitated transition to the codes and helped strengthen administrative capacity of the courts. It is unlikely that these studies would have been conducted without project support.

**6. Capacity Enhanced.** Training and capacity building was expected to lead to greater productivity of judges and staff, and in turn greater efficiency. The project supported e-learning, e-training, e-platform, and training of trainers to use the platform, where there had been none before the project. 1,215 magistrates and experts took e-learning training for magistrates, a 339% increase on the baseline which exceeded the target. The ICR reports mission interviews with judges and magistrates and notes that they took the training and appreciated the content. Output targets were met. There is no direct evidence, however, on outcomes of learning as follow-up assessment of job performance was neither designed nor implemented.

**Rating**  
Substantial



## Objective 2

### Objective

Achievement of the objective 2: Increased accountability of the judiciary

### Rationale

The objective is measured in five broad areas, as follows.

**1. Reform of legislative framework.** In terms of scope, this reform discussed above has had the largest impact on the Romanian judicial system, fully meeting the target of updated Civil and Criminal Codes and related Procedure codes, which previously had not substantially been adjusted for 150 years. Enhanced accountability was sought through a major overhaul of the legal reform to improve timeliness of court proceedings, consistency of judicial decisions and greater respect for a fair trial. In terms of achievement, the 2017, EU Correction and Verification Mechanism report, improvements in achievement are noted in each of these areas. The Superior Court of Magistracy also notes improvements in accountability at individual judge levels as the judges are now more aware of their accountability under revised Codes and, at the institutional levels, because more decisions are published and considered at the Supreme Court and there is greater case law harmonization. This has contributed to greater accountability via greater transparency and reduced judiciary discretion and scope for corruption. Judges can now search different cases online and research similar cases and there is greater public transparency about cases, which raised pressure for accountability. In addition, in 2010, an activity was added to support insolvency legislation. It resulted in the first national Insolvency Code consistent with the European Report on the Observance of Standards and Codes (ROSC) standards. The ICR reports that the Bank's presence has helped push through these reforms which were previously attempted but without success. Some doing business data indicate improved resolving insolvency frontier from 27 to 59 percentiles in 2017, and recovery rates increased from 25.7 (2011) to 34.4 cents on the dollar (2017).

**2. Audio recording of all hearings.** Enhanced accountability was sought through systematic and system-wide introduction and use of audio recordings in all court hearings. This has contributed to improved transparency and quality of judicial decisions and reduced inaccuracies in the judicial process, thereby reducing scope for arbitrariness and corruption. Instead of hand written or typed notes that were slow to develop, difficult to access and share, and, more important, subject to wide inaccuracies, starting from the base of no audio recordings before the project, the project resulted in a fully integrated and operational audio recording system in all 243 national courts and all 699 courtrooms, fully achieving the PDO target. These recordings are heavily used by the judges and staff as well as the National Inspection Panel, for example. Also, by providing the judges and staff with an easily accessible and accurate record of all proceedings, the audio recordings have de facto created a new resource to the system that has helped increase the efficiency and speed and accuracy of handling sensitive court information. This was significant achievement.

**3. Improved Civil works.** Enhanced accountability was sought through better quality of decisions and more efficient procedures with appropriate safeguards for confidentiality, archiving, treatment of detainees, and hygiene and space use, all of which were directly related to better design of court buildings and larger and more functional space. There were considerable delays in implementation. But achievements are notable in



this area of accountability and not only in efficiency as noted above under the first objective. For example, the original target of increasing the number of counsel rooms by 128% in ten new courtrooms was met. This helped improve working conditions for defendants and their attorneys. New standards were also set and enforced for separate detention space for men and women and juveniles, with better hygiene. These are important outputs contributing to outcomes such as better due process, safer and more hygienic conditions for the detainees (especially women and juveniles), and ability of defense to be able to conduct proper consultations with the clients and mount meaningful defense. Three surveys from the Borrower report indicate improvement in the cassation index and better-quality decisions.

**4. Magistrate certification.** Enhanced accountability was sought by a more objective and transparent admission process with specific tests measuring professionalism as an important element of accountability. To this end, the project has developed the first law school admissions test (LSAT), which was streamlined and is now a key element of the admission process. Several indicators suggest significant achievement. The Magistrates' recruitment regulation was modified by SCM decision no 869/2009, formally embedding LSAT, and thus meeting the target. The number of students tested rose from 100 in the pre-test stage to over 2,000. Superior Council of Magistracy and National Institute of Magistracy now require LSAT for magistrates. And LSAT now accounts for one quarter of the final grade of magistrates. ICR also reports stakeholder discussions and the EU Correction and Verification report evidence of the improved qualifications and professionalism of magistrates.

**5. Performance management, surveys, and transparency.** Enhanced accountability was sought through greater transparency and public access of court data and performance metrics as well as user surveys. Progress was made but more could have been accomplished. Before the project, the court did not publish any court and performance data, nor did it conduct surveys. Under the project, court data and key performance indicators are published. Three user surveys were conducted, and results disseminated. These surveys informed the European Commission (EC) for the Efficiency of Justice and the EU Justice Scoreboard. Targets were met but more could have been done to institute regular publication of these data and use them more systematically to inform policymaking.

In general, the indicators used to measure achievement are varied and indicative and, in many cases, quantitative with clear baselines and targets. The ICR has usefully used triangulation with survey data and other sources of EU country judiciary monitoring (e.g., EC Correction and Verification Mechanism) and Doing Business Indicators as a supplement to ensure a more robust assessment.

No use of international indicators available at the time was made (e.g., Freedom House indicators on judiciary and rule of law). Qualitative benefits of the project in terms of the major legal reform and resulting clarity of legal environment and quality of decisions appear to be substantial and continue to benefit the judicial system and its users in the future years.

**Rating**  
Substantial



## Rationale

Efficacy of both objectives, as explained above, was substantial.

## Overall Efficacy Rating

Substantial

### 5. Efficiency

Economic and financial analysis was not prepared ex ante. Economic and financial rate of return analysis was carried out ex-post by the ICR team. There was no value for money or other supplemental analyses of efficiency done. The ex-post economic analysis and financial analysis covers most of the value of the key activities of the project, broken down into three main blocks: civil works, resource management (quantitative), and other (qualitative). Benefits were estimated focusing on the saving in time for judges and staff because of the project's interventions in terms of civil works as well as the resource management activities. Given that the resource management activities were only partially achieved but accounted for about 20% of the project, this is part of the project whose net benefits adversely affected overall cost benefit calculation. The analysis recognizes important qualitative benefits--which do not factor explicitly into the calculation of the rates of return--from greater clarity of the legal framework and greater certainty of legal environment and better quality of legal decisions. A uniform, 5% discount rate was used to value all flows as per the EU guidance. Project time horizon was 12 years, from 2006 to 2017. The resulting economic rate of return was 71.2 percent and financial internal rate of return of 5.2 percent. The assumptions appear reasonable and the analysis sound.

The quantitative analysis covers 82.5 percent (US\$106.5 million) of the total actual project cost (US\$129.16 million) covering the two largest components: (court infrastructure rehabilitation at actual (and planned) cost of \$85 million and integrated resource management information system at actual (and planned) cost of US\$21.5 million.

Economic and financial rates of return appear to have been adversely affected by: (i) weaknesses in project preparation, (ii) delays in project implementation, doubling the project timeframe, and (iii) non-implementation of parts of the resource management related activities. But the overall costs were not exceeded from the amount approved. The question whether the project was delivered at least cost could not be answered based on the data presented but the ICR write up suggests that the overambitious design of resource management components could have been more modest, better tailored and, therefore, more cost effective. While not quantified, it is reasonable to conjecture that the qualitative benefits of the project in terms of the major legal reform and resulting clarity of legal environment and quality of decisions are significant and continue to benefit the judicial system and its users in the future years. No least cost analysis was presented. In terms of cost effectiveness, the actual project costs were as projected at appraisal.



Administrative efficiency was low due to the long delay in the implementation and disbursements and the project taking twice longer to implement than planned. Also, no ex ante ERR analysis was done. On balance, even though the ERR analysis was sound and the estimated ERR is high, because of low administrative efficiency and no ex ante ERR analysis, this IRC Review (in line with ICR rating) rates the efficiency as modest.

**Efficiency Rating**

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	71.20	82.00 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

**6. Outcome**

The ICR Review concurs with the moderately satisfactory outcome rating of the ICR. It is consistent with the high relevance, substantial achievement, but modest efficiency. The project almost fully achieved its objectives or is likely to do so. The project has supported a broad front of judicial reforms that has resulted in important achievements, some of which (e.g., major reform of criminal and civil code) will continue to bring important benefits in the years to come. But better outcome would have been possible with better design and speedier implementation, especially in the early stages of the project. Implementation delays, especially on the resource management component (in large part because of ambitious design and weak preparation) has resulted in substantial delays in project implementation and four subsequent restructurings. With three quarters of the judicial system workforce comprising women, benefiting from improvement in efficiency, accountability, quality of work environment and job satisfaction, the project has also likely had a beneficial gender impact.

**a. Outcome Rating**

Moderately Satisfactory

**7. Risk to Development Outcome**



Key project activities and associated achievements are likely to have lasting impact. For example, the improvement in court buildings in 16 locations across 21 courts provides for larger, better, more functional and energy- and cost-efficient space for the discharge of court proceedings. Structural process reforms including certification and online platform have also been institutionalized. Even though the resource management information system was left incomplete under the project, the state budget continued its financing and the system is expected to be completed by the government. These reasons, and the fact that the Bank could develop a new, follow up judicial project that builds on the lessons of this project, suggest continuity of the judicial reforms and associated benefits in the future.

## **8. Assessment of Bank Performance**

### **a. Quality-at-Entry**

On the positive side, the project included a clear statement of objectives targeting "efficiency" of the courts and "accountability" of the judiciary. The design contains the key elements of the theory of change needed for a solid project design. However, the ICR comments on the alignment and linkages between project components and activities and how they relate to project objectives, and notes that clearer links would have been preferable, an assessment with which this ICR Review concurs. A more succinct, upfront, and explicit theory of change linking PDOs with all activities and outcomes would have made for a clearer design although the theory of change discussed and constructed explicitly in the ICR appears convincing. The quality of the monitoring and evaluation framework at inception was weak and had to be strengthened during implementation. With hindsight, an exogenous factor identified was the underestimated time needed to implement the project in the prevailing institutional environment. Project preparation also had some clear shortcomings, which affected the slow beginning of implementation. There were problems with technical documentation for civil works. There was also a failure to trigger the Bank's cultural property safeguards for some of the historic sites subject to project civil works, overambitious design of the resource management information system, and inadequate staffing and local state funding for project implementation.

**Quality-at-Entry Rating**  
Moderately Unsatisfactory

### **b. Quality of supervision**

Supervision was weaker in the early stages but improved mid-way in implementation. The Bank substantially stepped up its supervision efforts and proactively restructured the project to help accelerate implementation and achievement of objectives after initial delays. The Bank conducted routine supervision missions and reported on its results in a timely fashion. Financial management and procurement support was deemed satisfactory. After initial problems in implementation, Bank support for ICT and infrastructure improved. In the final years, it was deemed highly effective in bringing parts of the resource management component back on track.



### **Quality of Supervision Rating**

Moderately Satisfactory

### **Overall Bank Performance Rating**

Moderately Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

Initial M&E design was relatively weak in that indicators and outcomes were not always well linked to the project activities and objectives. Many were qualitative and lacked baselines. Some targets, as on court case hearings and case disposal, were insufficiently ambitious. Both metrics improved by the targeted 10 percent but over more than a decade. On the other hand, the adoption of the Codes was a clear and important indicator with potential impact on the project objectives well into the future. However, the design team did not use other, internationally comparable indicators that were available at the time (e.g., independence of judiciary in Freedom House rankings, and protection of property rights in Index of Economic Freedom).

### **b. M&E Implementation**

Implementation of M&E improved with project implementation. The baseline survey, envisaged under the project, was only completed in 2008 two years after project approval and initially it did not inform revised M&E. Subsequent revisions in the M&E framework in 2012 made considerable improvements including quantitative measures and baselines. In the event, three user surveys provided evidence on project achievements.

### **c. M&E Utilization**

In 2015, further changes were made to M&E and three indicators were dropped. M&E data were reported regularly to the Project Steering Committee and the Bank, but there is no evidence that there was a feedback loop activated using these data to inform project implementation, policy, or stakeholder outreach.

### **M&E Quality Rating**

Modest



## 10. Other Issues

### a. Safeguards

The project triggered an environmental assessment (OP/BP/GP 4.01) because of rehabilitation and some construction of new buildings under the project’s civil works component. As a result, an environmental framework review of Romanian laws, permits and construction practice was conducted and compared with Bank requirements and environmental safeguards. This was discussed with the client and reflected in the environmental management plan which was included in the project legal agreement. The review concluded that it would "not trigger full ex ante environmental impact assessment under either Romanian laws or Bank policies." (Project Appraisal Document, p.25). However, during the implementation, it became clear that the Bank should have carried out an ex ante cultural property assessment.

### b. Fiduciary Compliance

Based on the ICR, no obvious fiduciary and procurement issues arose though more detail on financial management would have been preferable. Bank procurement procedures were praised by the implementing agency for efficiency and transparency compared to the local procedures. Bank procurement procedures were noted by this agency as an important factor of successful implementation.

### c. Unintended impacts (Positive or Negative)

There was positive gender impact because of the disproportionate percentage of women working in the judicial sector.

### d. Other

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## 11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	---
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	---



Quality of M&E	Modest	Modest	---
Quality of ICR		High	---

## 12. Lessons

Lessons in the ICR are deemed appropriate, reproduced here with a few modifications, as noted.

1. M&E should be a top priority for any project, not an afterthought to comply with Bank rules. It should be added that M&E should be thought of as an integral part of the theory of change of the project that should be continuously explained to internal and external stakeholders, especially in the face of complex projects and delays and restructurings.
2. Projects—especially those that combine physical investments with institution building—should pay adequate attention to institutional reforms and should communicate progress and results to internal Bank and client audiences. This project came to be a court building project because two thirds of the cost financed rehabilitation and construction of court buildings. But it was much more than that; institutional reforms achieved important results.
3. Projects with complex ICT and infrastructure investments should have a fully operational PIU before, or shortly after the effectiveness.
4. The simplest ICT solutions—tailored to local conditions—should be used wherever possible.
5. It is essential for a project to ensure sufficient local budget allocation.
6. Slow moving projects should consider introducing timely action plans with contingency planning.

## 13. Assessment Recommended?

Yes

Please explain

The project had extensive scope in terms of the all-important legal reform, investments in rehabilitation of court infrastructure, as well as institution building and resource management. It has also reached important results, especially in terms of court infrastructure and institution building and perhaps most important for the long term—major reform of the Criminal and Civil Code. There is a follow up project that builds on the lessons of this one, especially in resource management. A learning focused project performance assessment report could, for example, examine post-project sustainability of results, as well as progress with the resource management component which was taken over by the state budget and analyze how well the project's ICR lessons were integrated into the follow up project. Briefly, the purpose would be to assess the degree of the Bank's improvement in addressing the previously identified project issues and lessons in the design of the follow up



project. Such an assessment could have wider comparative value for other *judicial* projects in European and other middle-income countries where there is little project level evaluative evidence.

## 14. Comments on Quality of ICR

The ICR is clearly written and concise. It is candid and critical. It provides sufficient and convincing evidence, based on the country visit, which was welcome and necessary for a project of this complexity. The ICR also provides a balanced narrative of the positive and negative sides of preparation and implementation, intervening factors, and context. It contains a solid analysis of economic and financial rates of return and it transparently lays out its assumptions and acknowledges its limitations and the existence of other, qualitative benefits which are not captured. The ICR uses project specific as well as other evidence as relevant to support conclusions. The ICR points out that the case clearance indicator is measured on the EU Justice scoreboard, which didn't exist when the project was designed; it also points out progress on the Doing business insolvency indicator; these are strengths of the ICR, that it goes beyond indicators that were formally monitored. The only area where more detail would have been preferable was on fiduciary matters, but it is clear from the write up that this was not an area of concern in this project.

### a. Quality of ICR Rating

High