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Report No: PAD5189

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED LOAN

IN THE AMOUNT OF EUR 100 MILLION  
(US\$109.8 MILLION EQUIVALENT)

TO

ROMANIA

FOR THE

STRENGTHENING FOUNDATIONS FOR IMPROVED JUSTICE SERVICE DELIVERY PROJECT

May 23, 2023

Governance Global Practice  
Europe and Central Asia Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective April 30, 2023)

Currency Unit =	New Romanian Leu
4.4934 New Romanian Leu=	US\$1
US\$ 1.0983=	EUR 1

## FISCAL YEAR

January 1 - December 31

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## ABBREVIATIONS AND ACRONYMS

AM	Accountability Mechanism
CEPEJ	European Commission for the Efficiency of Justice
CERC	Contingent Emergency Response Component
COMS	Strategic Management Council
CPF	Country Partnership Framework
CVM	Cooperation and Verification Mechanism
DIEFP	Department for Implementation of Externally Financed Projects
EAS	Electronic Archiving System
EC	European Commission
ECRIS	Electronic Court Record Information System
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standards
EU	European Union
FDP	Forcibly Displaced People
FIC	First Instance Court
FM	Financial Management
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GRS	Grievance Redress Service
HCCJ	High Court of Cassation and Justice
HRM	Human Resource Management
IBRD	International Bank for Reconstruction and Development
ICT	Information and Communication Technology
IPF	Investment Project Financing
JFR	Functional Review of the Romanian Justice Sector (P172734)
JRP	Judicial Reform Project (P090309)
JSIP	Justice Services Improvement Project (P160751)
LMP	Labor Management Procedures
MOC	Ministry of Culture
MOF	Ministry of Finance
MOJ	Ministry of Justice
NIM	National Institute of Magistrates
NRRP	National Recovery and Resilience Plan
OHS	Occupational Health and Safety
PDO	Project Development Objective
POM	Project Operational Manual
PPA	Project Preparation Advance
PPP	Purchasing Power Parity
RMS	Resource Management System
RRF	Recovery and Resilience Facility
SCM	Superior Council of the Magistracy
SDJ	Strategy for Development of the Judiciary
SEAH	Sexual Exploitation, Abuse and Harassment
SEP	Stakeholder Engagement Plan
STEP	Systematic Tracking of Exchanges in Procurement
SW	Staff Weeks
TBD	To be determined
UNBR	National Union of Bars in Romania
WJP	World Justice Project



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## DATASHEET

### BASIC INFORMATION

Country(ies)	Project Name	
Romania	Strengthening Foundations for Improved Justice Service Delivery	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P178599	Investment Project Financing	Moderate

### Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Approval Date	Expected Closing Date
15-Jun-2023	31-Dec-2030

Bank/IFC Collaboration
No



**Proposed Development Objective(s)**

To improve access to and the resilience of selected justice services.

**Components**

Component Name	Cost (US\$, millions)
Component 1. Improving Access to Justice Services	70.27
Component 2. Improving the Management of the Justice Sector’s Resources	37.77
Component 3. Project Management	1.76
Component 4. Contingent Emergency Response Component	0.00

**Organizations**

Borrower: Romania  
 Implementing Agency: Ministry of Justice

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

**SUMMARY**

<b>Total Project Cost</b>	109.80
<b>Total Financing</b>	109.80
<b>of which IBRD/IDA</b>	109.80
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	109.80
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**Expected Disbursements (in US\$, Millions)**

WB Fiscal Year	2023	2024	2025	2026	2027	2028	2029	2030
Annual	0.00	2.87	4.61	7.35	15.37	30.18	30.01	19.41
Cumulative	0.00	2.87	7.48	14.83	30.20	60.38	90.39	109.80

**INSTITUTIONAL DATA**

**Practice Area (Lead)**

Governance

**Contributing Practice Areas**

Urban, Resilience and Land

**Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating
1. Political and Governance	● Moderate
2. Macroeconomic	● Moderate
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● Moderate
6. Fiduciary	● Moderate
7. Environment and Social	● Moderate
8. Stakeholders	● Moderate
9. Other	● Moderate



10. Overall

● Moderate

**COMPLIANCE**

**Policy**

Does the project depart from the CPF in content or in other significant respects?

Yes  No

Does the project require any waivers of Bank policies?

Yes  No

**Environmental and Social Standards Relevance Given its Context at the Time of Appraisal**

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Relevant
Financial Intermediaries	Not Currently Relevant





**NOTE:** For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

**Legal Covenants**

Sections and Description

Schedule 2. Section I.A.1. The Borrower shall vest the overall responsibility for the implementation of the Project in MoJ, and to this end, through MoJ, shall: (i) operate and maintain DIEFP within MoJ until the completion of the Project; and (ii) ensure that DIEFP functions at all times in a manner and with adequate staffing and budgetary resources, all acceptable to the Bank.

**Conditions**

Type	Financing source	Description
Effectiveness	IBRD/IDA	Article IV. 4.01. The Borrower, through MoJ, has adopted the Project Operations Manual in a manner and with contents acceptable to the Bank.
Disbursement	IBRD/IDA	Schedule 2. Section IV.B.1(b). 1. Notwithstanding the provisions of Part A above, no withdrawal shall be made: (b) for Emergency Expenditures under Category (2), unless and until: (i)(A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Loan amounts under Category (2); and (B) the Bank has agreed with such determination, accepted said request and notified the Borrower thereof; and (ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.



## I. STRATEGIC CONTEXT

### A. Country Context

- 1. Despite its robust economic growth performance in the last couple of decades, Romania faces important poverty and inclusion challenges.** Between 2000 and 2021, the economy grew at an average growth rate of 3.8 percent, which translated in income per capita (purchasing power parity, PPP) gains from 26.4 percent of the European Union (EU) average to 74.2 percent over the period. The Romanian economy performed better than anticipated during the COVID-19 crisis, with growth rebounding to 5.8 percent in 2021 and 4.8 percent in 2022 following a 3.7 percent contraction in 2020. However, disparities between urban and rural areas, where approximately 45 percent of the population lives, remain stark, and rural poverty rates are reported to be six times higher than those in metropolitan areas. Despite the economic rebound and increases in household incomes,<sup>1</sup> the poverty rate (US\$6.85/day PPP) is expected to have declined only marginally from 10.7 in 2020 to 9.6 percent in 2022. Regional income and service delivery disparities are wide, with a Gini coefficient of 34.3 in 2021 (well above the EU average of 30.6). Romanians working outside of the formal labor market or working in subsistence agriculture are disproportionately represented in the bottom 20 percent of the income distribution.
- 2. Romania's political context is volatile, with coalition governments characterized by frequent turnovers.** Romania has changed prime ministers five times since 2017, leading to policy uncertainty and an unpredictable environment which impacts the provision of public services, private sector development and investment, as well as citizens' and businesses' perceptions of the government. Political instability and corruption systemically feature in the top six business environment constraints.<sup>2</sup> Citizens also report a persistent mistrust in public institutions: satisfaction with public services is among the lowest in Europe, with nearly 60 percent of Romanians considering public services to be of poor or very poor quality. Almost two-thirds of citizens tend not to trust the national government, and less than 15 percent believe the government will deliver on its promises, with perceptions of high levels of corruption and a lack of judicial independence being cited as contributing to dissatisfaction.<sup>3</sup> These and other factors are also cited as a reason for over 200,000 Romanians leaving the country every year in search of better living conditions and higher income levels in Western Europe.<sup>4</sup>
- 3. Recent crises, including the COVID-19 pandemic and Russia's invasion of Ukraine, have further underlined long-standing gaps in public service delivery and placed additional pressures on Romania's budget expenditures.** Authorities faced challenges to enforce pandemic lockdown measures and adapt to remote work while continuing to deliver basic public services in areas like health and education through online learning.<sup>5</sup> Business continuity measures proved to be insufficient, and evidenced a slow, rigid, and paper-based bureaucracy with outdated regulations, limited use of digital technologies, and unequipped and untrained workers. More recently, spillovers from the war in Ukraine resulted in rising

<sup>1</sup> A June 2022 Rapid Household Survey showed that most workers have returned to work, bringing household income close to precrisis levels.

<sup>2</sup> World Bank Enterprise Surveys. 2009, 2013, 2019.

<sup>3</sup> Standard Eurobarometer 95 Spring 2021.

<sup>4</sup> Revista Universitară de Sociologie. Year XVI, Issue 1/2020. <http://www.sociologiecraiova.ro/revista/wp-content/uploads/2020/06/00.-FULL-VERSION-298-309.pdf>

<sup>5</sup> World Bank support to the government's pandemic response included carrying out a scenario planning exercise with the Ministry of Education in the context of school re-openings under the Consolidating the Strategic Management Function of the General Secretariat of the Government Reimbursable Advisory Services (P170487).



energy<sup>6</sup> and food prices, moderated the pace of economic growth, and risk adversely impacting poverty. Measures to protect poorer households from high food prices, energy subsidies to households and firms, and the additional costs generated by the influx of forcibly displaced people (FDP) from Ukraine, with over 3.6 million arrivals and 111,787 remaining in the country as of February 2023, according to the Government's estimates<sup>7</sup> continue adding pressures on public spending, in the context in already high fiscal deficits.

**4. Romania remains vulnerable to climate change and natural hazards, and needs to prioritize climate change adaptation and mitigation.** Romania is at risk from a range of hazards, including natural disasters, such as earthquakes, landslides, heavy precipitation, floods, droughts, fires, extreme heat events, epidemics/pandemics, and technological accidents.<sup>8</sup> The frequency and severity of these hazards is being exacerbated by climate change, especially as it relates to precipitation and its inevitable impact on droughts, floods, and fires. With these increased threats, the potential damage to natural, physical, and human assets can curtail economic growth, jeopardize fiscal sustainability, and negatively affect the well-being of Romania's population, particularly the most vulnerable. Reflecting its commitment to addressing climate change, Romania is a signatory to the Paris Agreement, and as an EU member state, bound by its mitigation and adaptation commitments which include a joint target of a 55 percent net domestic reduction in greenhouse gas emissions by 2030.<sup>9</sup> Romania also adopted a National Climate Change Strategy for 2013-2020 in 2013, followed by an associated Action Plan on Climate Change for 2016-2020 in 2015,<sup>10</sup> the National Climate Change and Low Carbon Green Growth Strategy for 2016-30, and an Integrated National Energy and Climate Plan 2021-2030 launched in March 2020. Within a context of more frequent climate induced risks, it is paramount to ensure that public services, including those provided by the justice sector, are adapted to ensure that their delivery is resilient to associated natural disasters via the development of business continuity plans, digitalization, and construction of resilient infrastructure which contribute to the government's mitigation and adaptation plans.

**5. In view of these compounding crises, Romania must use its resources strategically to accelerate implementation and maximize the impact of reforms.** In addition to the EU multiannual financial framework for 2021-2027, adopted in February 2021, the European Commission (EC) launched the Recovery and Resilience Facility (RRF) to support recovery from the economic and social impacts of the pandemic and make economies more sustainable and resilient, as well as green and digital. The government is using RRF funds to sustain the recovery and to support key policy reforms and investments in key areas such as budgetary and pension reforms, civil service reform, digital transformation, the green transition and climate change.<sup>11</sup> Justice and rule of law reforms are among the priorities of the National Recovery and

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<sup>6</sup> Romania imports around 20 percent of its gas consumption, mainly from Russia. The government has taken measures to cap electricity and gas prices, particularly for SMEs and domestic consumers.

<sup>7</sup> Government of Romania. Report. Romania's response to the Ukrainian Refugee Crisis: Monthly Snapshot - Feb 2023. <https://protectieucraina.gov.ro/1/wp-content/uploads/2023/03/Refugee-Response-Snapshot-Feb-2023.pdf>

<sup>8</sup> World Bank. *Climate Change Knowledge Portal: Romania*. <https://climateknowledgeportal.worldbank.org/country/romania/> Last accessed September 27, 2022.

<sup>9</sup> European Union. Update of the NDC of the European Union and its Members States. Submission by Germany and the European Commission on Behalf of the European Union and its Member States. December 17, 2020. < [https://unfccc.int/sites/default/files/NDC/2022-06/EU\\_NDC\\_Submission\\_December%202020\\_0.pdf](https://unfccc.int/sites/default/files/NDC/2022-06/EU_NDC_Submission_December%202020_0.pdf)>.

<sup>10</sup> World Bank, 2018, Country Partnership Framework for Romania for the Period FY19–FY23. Report No. 126154-RO; Grantham Research Institute on Climate Change and the Environment, London School of Economics. *Climate Change Laws of the World: Romania*. <https://www.climate-laws.org/geographies/romania>. Last accessed September 27, 2022.

<sup>11</sup> With digital transformation as a cross-cutting theme of the NRRP, 21 percent of its total is allocated to digital initiatives. Romania has earmarked 41 percent of the NRRP allocation for green transition, including reforms and investments addressing climate change.



Resilience Plan (NRRP), which includes specific investments aimed at supporting the digitalization of the judiciary and increasing access to justice (NRRP components C7 and C14, respectively).

6. **Justice and rule of law reforms are essential for Romania’s socio-economic development as they impact the country’s overall governance, public service delivery, trade and investment as well as its social capital.** To successfully leverage the full potential of activities within the NRRP aimed at strengthening justice and the rule of law, the government will need to ensure that key enabling conditions and foundational institutional strengthening are in place - including a strategic direction for digitalization, effective coordination mechanisms, and adequate business continuity planning within the sector - and advance on parallel improvements to the service delivery model aimed at systematically addressing key barriers to access to justice. Without such foundational strengthening of the justice sector, resources would not reach beneficiaries and bring the intended impact.

## B. Sectoral and Institutional Context

7. **Romania has made important progress in strengthening its rule of law framework since joining the EU.** As part of EU membership and *Acquis*,<sup>12</sup> Romania adopted a new rule of law framework to underpin the nation’s goals of promoting economic growth, protecting citizens’ fundamental rights, and implementing checks and balances to ensure that the law applies equally to all. Laws 303, 304 and 317 (henceforth referred to as the *Justice Laws*), which came into force in 2004, made important advances in this area, establishing the organization, functioning and status of judges, magistrates, and prosecutors in the judicial system, and strengthening the independence and accountability of the judiciary.<sup>13</sup> In 2018 and 2019 the government amended<sup>14</sup> the *Justice Laws* through Government Emergency Ordinances (Laws 207, 234 and 242 of 2018) and reversed some of this progress. Further amendments adopted in November 2022 corrected some of the earlier contested changes<sup>15</sup> and aimed to strengthen the independence of the judiciary by transferring the management of the judicial budget related to salaries from the Ministry of Justice (MOJ) to the High Court of Cassation and Justice (HCCJ). The 2022 amendments led to the European Commission’s November 2022 assessment that Romania had fulfilled all four benchmarks committed to at the time of its accession to the EU<sup>16</sup> and would no longer be monitored through the Cooperation and Verification Mechanism (CVM)<sup>17</sup>.

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<sup>12</sup> Requirements under the *Acquis* resulted in major changes to the legislative framework, including the adoption of a new Civil Code, Civil Procedure Code, Criminal Code, Criminal Procedure Code, and Insolvency Code.

<sup>13</sup> Judicial independence and accountability are both essential to a strong justice system and overall rule of law. In order to make fair decisions, judges must be independent of undue influence and be free to make impartial judgements based solely on the law. In addition to being independent, judges should also be accountable to the community. Strong systems have established accountability mechanisms, such as disciplinary measures for judges abuse their position of trust.

<sup>14</sup> Among others, amendments created a dedicated section for investigating criminal offenses within the judiciary, and included ad hoc early retirement schemes, and adjustments to the system of civil liability of judges and prosecutors and entry into the profession.

<sup>15</sup> Amendments made through Decree for the promulgation of the Law on the status of judges and prosecutors (PL-x 440/01.09.2022); Decree for the promulgation of the Law on judicial organization (PL-x 441/01.09.2022); and Decree for the promulgation of the Law on the Superior Council of Magistracy (PL-x 442/01.09.2022), all of which were signed by the President on November 15, 2022. These changes include: strengthening career management; increasing training requirements to enter the magistracy from two to three years and seniority requirements for promotions to higher courts; clarifying processes for disciplinary action against magistrates and requiring their review by the Superior Council of the Magistracy (SCM); and introducing a more transparent and robust selection process for high-ranking prosecutors.

<sup>16</sup> COM (2022) 664 final. The four benchmarks include: 1. Judicial independence and Judicial reform; 2. Integrity framework and the National Integrity Agency; 3. Tackling High-level Corruption; 4. Tackling corruption at all levels.

<sup>17</sup> Upon Romania’s accession to the EU, the CVM was established by Commission Decision 6569 of 13/XII/2006 as a transitional measure to support and monitor Romania’s achievement of pending reforms established under four benchmarks dealing with the effectiveness and transparency of the judicial system, institutional integrity and prevention and fight against corruption.



8. **Changes to the justice system’s legal framework have been accompanied by advances in the sector’s management.** Over the past two decades, significant efforts were made to align the judiciary with European and international standards of justice. Aside from implementing new legislation (such as the insolvency code and procedural codes) and reforming existing laws (civil and criminal codes), efforts were made to improve the capacities of staff in the judiciary as well as their working environment. Reforms prioritized training broader justice system staff in management techniques and elaborating training curricula with the National Institute of Magistracy (NIM) and the National School of Clerks (NSC). In terms of access and accessibility, important advances were made in addressing serious infrastructure gaps including the construction of over 20 first instance courts (FICs) and refurbishing courts to align them with European court design standards. The country has also made important progress in terms of the development of tools to manage the processing of cases, launching and refining the Electronic Court Record Information System (ECRIS) to support the workflow of court cases, facilitate court management, and enable reporting on indicators such as age of the cases in stock, the number of pending cases, the number of cases solved, and the average duration of cases.

9. **Despite these advances, access to justice remains an important challenge for many Romanians.** According to 2022 data from the World Justice Project, Romania is below the European<sup>18</sup> average in terms of people being able to access and afford civil justice (with a score of 0.61 on a scale from 0 to 1 vs. a regional average of 0.66).<sup>19</sup> In 2018 (latest data available), 43 percent of people had experienced a legal problem within the last two years, but only 28 percent were able to access help (and of those able to access help, 64 percent received it from a friend or family). Furthermore, almost a third of respondents reported not knowing where to get advice or information or having access to all the expert help needed. Twelve percent also reported it being “difficult or nearly impossible to find the money to resolve the problem.”<sup>20</sup> According to the United States Department of Commerce International Trade Administration’s 2022 Country Commercial Guide on Romania, companies also “report challenges regarding the independence and efficiency of the judicial system, corruption, bureaucracy, and political instability.” A 2021 poll ranked compliance with contractual obligations among the three top challenges for conducting business in Romania,<sup>21</sup> and in 2019, medium-sized businesses were three times more likely to report courts as being the top obstacle to the business environment.<sup>22</sup> Issues related to difficulties in physically accessing courts or the public administration have also been found to be perceived as being a significant obstacle by an important percentage of actors within the system (tribunals and public institutions), while external actors (bar association, non-governmental organizations) were more likely to perceive challenges related to the complexity of processes.<sup>23</sup>

10. **These barriers to obtaining justice services tend to disproportionately affect the poor and other vulnerable groups (rural population, women, Roma, and FDPs, as well as small and medium enterprises (SMEs)).** Roma communities face obstacles related to the lack of identity documents, low levels of education, low levels of knowledge about the judiciary and legal proceedings, as well as a lack of trust in state institutions and the judiciary, and low levels of income/unaffordability of court fees and taxes. Similarly, women, particularly poor or under-educated women, are recognized to face multiple barriers to justice – they have lower salaries than men, encounter gender-based

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<sup>18</sup> In comparison to other countries in the EU, European Free Trade Association, and North America region assessed under the World Justice Project.

<sup>19</sup> World Justice Project. *Romania*. <https://worldjusticeproject.org/rule-of-law-index/country/2022/Romania/>

<sup>20</sup> World Justice Project. *Romania*. <https://worldjusticeproject.org/sites/default/files/documents/Access-to-Justice-2019-Romania.pdf>. Accessed September 26, 2022.

<sup>21</sup> <https://www.statista.com/statistics/1206521/romania-main-challenges-for-companies/>.

<sup>22</sup> World Bank. *Enterprise Surveys* [www.enterprisesurveys.org](http://www.enterprisesurveys.org). Last accessed December 15, 2022.

<sup>23</sup> Superior Council of the Magistracy, Ministry of Justice. “Access to justice for Roma and other vulnerable groups. An integrated approach.” 2014. <[http://old.csm1909.ro/csm/linkuri/26\\_01\\_2015\\_\\_72130\\_ro.pdf](http://old.csm1909.ro/csm/linkuri/26_01_2015__72130_ro.pdf)>.



discrimination, and are underrepresented in decision-making positions - and Roma, elderly, and disabled women also face cumulative disadvantages. Ensuring women's access to justice services is particularly important given the country's high rate of domestic violence – 30 percent of women report having experienced physical and/or sexual violence since the age of 15 and only 24 percent of domestic violence victims file complaints with the police and up to 13 percent withdraw their complaints.<sup>24</sup> The Romanian Constitution guarantees gender equality in various areas, including at work and in the labor market, as well as access to social security and social assistance. Law 202/2002 on Equal Opportunities between Women and Men further regulates equal access to services and goods.<sup>25</sup> However, a deeper understanding of the challenges faced - and the solutions needed to ensure equal access to justice services - are complicated by a lack of data on service provision – such as the provision of legal aid -- by demographic groups (including by gender).

**11. The onset of the COVID-19 pandemic in March 2020 further exacerbated these challenges, revealing underlying issues with the sector's resilience.** Even as the number of incoming cases in Romania fell across all jurisdictions in 2020 (in contrast to other EU countries which experienced a new wave of claims linked to pandemic impacts<sup>26</sup>), so did case dispositions (e.g., 11 percent drop compared to 2019 in district courts and 12 percent in tribunals and courts of appeal) and clearance rates (e.g., nine percent drop compared to 2019 in tribunals), indicating that courts were struggling to keep functioning under their typical procedures.<sup>27</sup>

**12. Looking ahead, the justice system is expected to face additional burdens as a result of Russia's invasion of Ukraine.** Following Russia's invasion of Ukraine, over 3.6 million individuals, have crossed the Romanian border with 111,787 Ukrainian refugees remaining in the country according to the Government's February 2023 report, some of whom fled without identification, travel documents, or proof of child custody.<sup>28</sup> The government's response has been fast and effective, enacting emergency ordinances to waive and adjust migratory administrative procedures to facilitate FDPs' urgent entrance, repurposing facilities to host them on a temporary basis, and guaranteeing their right to work and access to social welfare, health services, and education. However, in the future, it is expected that this will place additional burdens on the justice system, as needs for legal aid, small claims, and non-contentious claims (e.g., issuing of identification documents (IDs), name changes, declaration of custody for unaccompanied minors, etc.) increase. Courts at the periphery of Bucharest (where most of the FDPs have settled) are already displaying an increase in workload. The number of administrative proceedings linked to FDPs is also likely to increase in the short and medium-term due to processes associated with certification of professional qualifications (e.g., medicine, architecture), accessing education, filing claims for social benefits, etc.

**13. Effectively addressing these challenges with increasing access and resilience requires a multi-faceted approach aimed at improving both the downstream service delivery to users, as well as the sector's upstream resource management.** At the downstream level, this includes addressing challenges related to the outdated and fragmented justice service delivery model, and legal aid challenges contributing to a lack of awareness of rights and legal proceedings and hindering those seeking redress to grievances. Upstream, this entails modernizing the sector's resource management,

<sup>24</sup> European Union Agency for Fundamental Rights (2014). Violence against women: an EU-wide survey.

<sup>25</sup> EIGE. Gender mainstreaming: Romania. Last accessed December 6, 2022. <<https://eige.europa.eu/gender-mainstreaming/countries/romania>>.

<sup>26</sup> There has been a spike in family law cases, particularly related to divorce, child custody, and domestic violence. Likewise, increases in disputes concerning unfulfilled contracts, cancelled projects, unpaid wages, and other associated with the impacts of COVID-19, are expected to grow.

<sup>27</sup> MOJ data provided under the Functional Review of the Romanian Justice Sector (P172734).

<sup>28</sup> Government of Romania. Report. *Romania's response to the Ukrainian Refugee Crisis: Monthly Snapshot - Feb 2023*. <https://protectieucraina.gov.ro/1/wp-content/uploads/2023/03/Refugee-Response-Snapshot-Feb-2023.pdf>



digitalization and business continuity, as well as building institutional capacity and strengthening coordination and collaboration across the justice sector.

#### *Challenges with the downstream management and provision of justice services*

14. **According to data from the World Justice Project’s Rule of Law index, measuring the accessibility and affordability of civil courts, including whether users can access and afford legal advice and representation as well as their experience with physical barriers, Romania is on the weaker side of the scale, ranking in 50<sup>th</sup> out of 140 countries in 2022.** Addressing these challenges entails both strengthening legal aid and reducing physical barriers to accessing services linked to court infrastructure, fragmented services, and the time demands associated with traveling between institutions both before and after filing a claim.

15. **Legal aid – a concept that is recognized in many EU jurisdictions to encompass both legal advice/representation at little to no cost *and* assistance in navigating the rules and procedures of administrative agencies, mediation, and assistance in drafting documents – is an important element of ensuring access to justice, particularly for vulnerable groups.** In Romania, vulnerable populations commonly face grievances associated with alimony, evictions, repatriations resulting from ineffective asylum procedures, and enforcement of utility bills and small debt collections (also for SMEs). To address their needs, in 2008, the current system of civil legal aid, was created by the Government Emergency Ordinance 51/2008 which defines legal aid as a form of assistance granted by the State to ensure the right to a fair trial and guarantee equal access to justice.<sup>29</sup> In practice, for civil claims, legal aid has been circumscribed to the trial and interpreted as the right to “free legal representation”, i.e. access to a free lawyer, and it seldomly includes legal advice and pre-trial assistance (e.g., rights awareness and orientation on what is needed to file a claim and what the process entails). Methodologies to prioritize vulnerable groups are also lacking, and statistics from the MOJ show that only approximately 20 percent of the total legal aid granted relates to civil law matters,<sup>30</sup> though civil matters constitute 80 percent of the justice sector caseload. By contrast, most legal aid is provided in criminal cases and cases with minors where mandatory representation by a lawyer is provided *ex officio*. As a result, and when coupled with complex and bureaucratic procedures to access legal aid, the reality is that vulnerable populations often remain underserved, and their grievances rarely reach the courts. Addressing these challenges with legal aid provision is complicated by difficulties in managing associated information and using such to inform future service delivery. Currently, the MOJ simply processes requests for payment of legal aid services rendered, while the courts themselves are responsible for handling and approving requests for legal aid (in civil cases), and there are no tools to monitor who gets what or disaggregated data on vulnerable groups’ benefitting from legal aid.<sup>31</sup>

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<sup>29</sup> Legal aid can be granted in the following forms:

- (a) the payment of fees for the provision of representation, legal assistance and, where appropriate, defense, by an appointed or chosen lawyer, for the establishment or protection of a legal right or legitimate interest or for the prevention of litigation, hereinafter referred to as legal aid;
- (b) the payment of an expert, translator or interpreter used in the course of proceedings, with the agreement of the court or authority having judicial power, if such payment is chargeable by law to the applicant for legal aid;
- (c) payment of the bailiff’s fees;
- (d) exemption, reduction, deferment, or postponement of the payment of legal fees provided for by law, including those due at the enforcement stage.

<sup>30</sup> Legal aid in civil cases consists in representation by a lawyer in court; the payment of the expert, translator or interpreter used during the court proceedings; payment of the bailiff’s fee; exemptions, reductions, rescheduling or deferrals from the payment of judicial fees provided by law, including those due in the enforcement phase.

<sup>31</sup> Council of Europe, European Union. Joint Program Roma Women’s Access to Justice: Romania. [https://pjp-eu.coe.int/en/web/access-to-justice-for-roma-women/romania#{%2242239812%22:\[2\]}](https://pjp-eu.coe.int/en/web/access-to-justice-for-roma-women/romania#{%2242239812%22:[2]}) Accessed September 26, 2022.



16. **For users who are aware of their rights and have made the decision to seek judicial redress, the lack of a user-centric approach to service delivery further complicates access to justice within and outside of Bucharest.** International experience has shown that investing in justice services one-stop shops, spaces which bring together representatives from different institutions in a single place to streamline users' experience and support a more integrated front-end service delivery process, can have significant effects on addressing access to justice gaps, especially for the poor. In the case of Romania, geographical and physical constraints are important factors in whether people seek legal help to resolve their conflicts, with fragmented service provision processes – for example, a domestic violence victim needs to separately visit the police, a forensic doctor, and seek legal guidance on next steps from separate entities in different locations – translating into a time-consuming experience, which can sometimes deter individuals from seeking redress through the justice system or result in victims abandoning their efforts before reaching the courts.

17. **These issues with the service delivery model are further complicated by outdated infrastructure that was not designed for user-centric service provision or to meet international standards for physical infrastructure risks.** Despite adequate funding for the sector as a whole, historically, the country has spent considerably less than other countries in Europe on investment, resulting in a substantial part of the current justice infrastructure being obsolete or sub-standard, especially in first instance courts (FICs) outside of Bucharest. While over the last 15 years, the government has made investments in improving justice infrastructure by rehabilitating several courts across the country, including with the support of the Judicial Reform Project (JRP, P090309)<sup>32</sup> and Justice Services Improvement Project (JSIP, P160751),<sup>33</sup> many buildings occupied by justice sector offices have not received such support and remain in poor condition due to deferred capital maintenance.<sup>34</sup> They also do not comply with the European and Romanian standards for seismic risk and are vulnerable to disasters, including climate change induced ones, with flooding and wildfire being high risks across the country.<sup>35</sup> Buildings are not energy efficient, nor are they prepared to host Information and Communications Technology (ICT) equipment or designed to meet users' needs for things such as a separate waiting rooms for victims and perpetrators. Under JSIP, basic local area network (LAN) infrastructure was provided to five courts outside of Bucharest, but further roll-out to first instance courts and courts of appeal is needed to ensure the ability to conduct their essential business.<sup>36</sup> Russia's invasion of Ukraine is also expected to impact plans to modernize and construct new justice infrastructure, as construction costs, particularly the prices for fuel and raw materials such as steel and masonry produced in Ukraine, have increased.

18. **A key element of the government's medium-term plan to improve the delivery of justice services is centered upon facilitating access to justice by rolling out of a user-centric service delivery model.** These include planning to consolidate individual justice institutions in a unified complex (the Justice District) in Bucharest.<sup>37</sup> The proposed Justice District would act as a one-stop shop for internal and external users in Romania's largest jurisdiction (with its functional

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<sup>32</sup> €110 million (US\$130 million equivalent). Approved by the Board on December 15, 2005.

<sup>33</sup> €60 million (US\$66.99 million equivalent). Approved by the Board on January 31, 2017.

<sup>34</sup> Approximately 90 percent of Romania's judicial budget expenditures are allocated to wages, while capital expenditures constitute less than 1 percent of the expenditure in both courts and prosecution offices, compared to 7.9 percent on ICT and infrastructure investments in European countries.

<sup>35</sup> World Bank. ThinkHazard! Romania. < <https://thinkhazard.org/en/report/203-romania/>>

<sup>36</sup> An analysis conducted by the MOJ in October 2020 indicated that none of the national courts have the necessary network and hardware infrastructure to fully support planned transitions to digitalization and electronic filing.

<sup>37</sup> The GOR has expressed commitment to develop a Justice District in Bucharest in various strategic documents, most recently the SDJ 2022-2025.





urban area accounting for approximately 11 percent of the country's population<sup>38</sup> and having the country's largest caseload). The development of a Justice District in Bucharest will contribute to rolling out a user-centric service delivery model and transform an under-invested area in Bucharest. Likewise, outside of Bucharest, there is also a need to develop user-centric one-stop shops to improve access to justice, albeit on a smaller scale. Under an ongoing US\$2.5 million project preparation advance (PPA) for the Justice District, support is being provided to (i) the preparation of a site redevelopment strategy that will incorporate efficient energy and resilient design and construction principles; (ii) feasibility studies and the first stage of design work for the development of the Justice District and its related on-site infrastructure; (iii) upstream planning and feasibility work; and (iv) downstream site development activities including preparation of, inter alia: (a) all documentation required to comply with the World Bank's Environmental and Social Framework; (b) the Project Operations Manual (POM); and (c) communication strategies and activities for the project. Prior to constructing the Justice District, there is a need to finalize the detailed project designs, ensure adequate quality control over technical engineering and architectural design, and associated stakeholder engagement activities, among others.

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<sup>38</sup> Daniela Antonescu. "Romania's urban policy in the context of COVID-19 pandemic time." *Central European Journal of Geography and Sustainable Development*. Volume 3, Issue 2. 2021. 85-102.



### Upstream challenges with the justice sector's management of resources

19. **At the upstream level, there is a pressing need for a more strategic and coordinated approach to digitalization.** Current regulations and practices in Romania do not enable remote work, and existing systems, such as ECRIS and the Electronic Archiving System (EAS) are not fully interconnected (See Box 1 for an overview of core ICT systems in Romania's justice sector). During the pandemic, various FICs were unable to deliver justice services remotely due to poor network connections, inadequate equipment, low digital skills, and a lack of in-house ICT support. In response to these challenges, in 2020, JSIP (P160751), was restructured to provide basic local area network (LAN) infrastructure to various project courts outside of Bucharest to support the carrying out of essential business while on lockdown. However, this support was limited by the availability of funds and the sector still lacks both a high-level sector wide business continuity plan as well as individual business continuity plans for key courts, and serious gaps in ICT and cybersecurity skills is complicating the sector's transition to the digitalization of internal and external service delivery processes.

20. **Romania still lacks a unitary strategy for Digital Transformation and ICT investment in the Justice Sector** (as well as a digital strategy for the country as a whole). While justice institutions collaborate to support specific ICT initiatives such as work related to the ECRIS, these tend to be *ad hoc*. This has resulted in separate efforts to build ICT systems to solve specific problems, such as for electronic case files, for which there are four versions in production. Without an approved strategy in place, the MOJ has taken ownership in leading the digital reforms in the justice sector and has leveraged the NRRP to define a high-level roadmap for the digitalization of the judiciary, including several critical investments in ICT infrastructure, hardware and software, and training but the development of a comprehensive strategy is still pending. In addition to a high-level strategy, several other elements are still needed, such as an enabling regulatory framework, digital principles (ask once, cloud first, etc.), and an ICT staffing plan.

21. **There is also a particular need to transition away from paper-based archives and associated information management systems not fit for purpose to an effective digital archiving approach that supports the resilience and efficiency of service delivery.** Today, modernization efforts are hindered by obsolete systems and equipment, and dated regulations for the government's management of paper records. This poses a risk to

#### Box 1. Core ICT systems in Romania's justice sector

**ECRIS** is the judiciary's main tool for case management, used by the courts, prosecutor's offices, and the SCM. The current version, ECRIS IV, was financed through European funds and supports the electronic flow of files and data transfer across the judiciary. It is also the main provider of data for judicial reports. Live for over a decade, ECRIS IV is overdue for replacement, leaving courts to develop local solutions and ad hoc fixes, some integrated with ECRIS, such as InfoDosar (electronic case files) and TDS (secure data transmission) to address ECRIS's functional gaps. The MOJ has an ongoing EU-funded project to upgrade to ECRIS V in the coming years. ECRIS V will have new functionalities that will significantly contribute to the digitalization of the judicial system through increased automation and interconnection with other core systems.

**The Resource Management System (RMS)** is the integrated financial management solution for the entire justice sector. Its modules on financials, human resources, budgeting, external relations and document registry, and helpdesk are in various phases of roll-out across the sector, depending on the institution. RMS is not interconnected with ECRIS IV, but ECRIS V should provide facilities to communicate with RMS.

**STATIS** is the ICT system used to generate statistics in the justice sector, using data extracted from ECRIS to produce required reports. Since ECRIS V should have its own reporting capabilities, it is likely to replace STATIS for judicial statistics reporting.

**The Electronic Archiving System (EAS)** is a repository where courts can manually register claim files and store them as a back-up. The EAS, which will be a critical system for transitioning to digital archives, is implemented in some courts and not integrated with ECRIS, and not all courts have this facility.

The **Justice portal** ([portal.just.ro](http://portal.just.ro)) which contains general information about institutions and judicial cases and **Rejust portal** ([rejust.ro](http://rejust.ro)) where anonymized judicial decisions are published are also important digital tools.



the resilience of the delivery of services, requiring access to judicial sentences, placing information at risk of the impacts of disasters (including climate change induced natural disasters such as wildfires, a high risk in Bucharest and likely to increase due to the impacts of climate change<sup>39</sup>) which could destroy critical paper records, complicating the exchange of information between institutions, and making the retrieval dependent upon the physical presence of archives staff. As a result, it currently takes on average four to seven days to locate, access, and retrieve a sentence from the archives, and as many as seven to fourteen days during the winter when snow complicates physical access. The comprehensive digitalization of court archives would represent an important advancement both in terms of increasing the efficiency with which records could be accessed as well as for enabling the remote, online storage of associated files thereby ensuring that the continuity of access is not compromised by physical, location specific risks such as flooding and fires.

22. **While there have been pilot attempts to reduce the paper trail of some courts and prosecutors' offices by scanning core documents (like final decisions) and saving them in the electronic archives, these efforts do not represent a coordinated methodology that is scalable to the entire justice sector.** Existing regulations, specifications, and standards are intended to support traditional archives management and seldom address digital records, with paper archives being considered the official system of record. Judicial archives laws still require the storage of physical documents, requiring significant storage space and necessitating the physical retrieval of associated files. While the EAS, a registration database in which claims are manually registered, is implemented in some courts, it is not fully integrated with ECRIS. Case-related documents are dispersed among paper case files and electronic repositories, such as ECRIS for case management and EAS for archives, making it difficult for court staff and judicial personnel to easily retrieve them. Parallel paper archives are also kept, and, for ongoing cases, electronic files are not always up to date. The development of archiving practices to support the transition to digital records management is still pending across the government, with the judiciary as the biggest generator of paper files in the public sector, set to play a critical role in its development. The MOJ has acknowledged the need to transition to digital archives and committed to preparing a strategy for digitizing physical archives across the entire judicial sector in the SDJ 2022-2025.<sup>40</sup>

23. **The success of digitalization reforms, the implementation of a user-centric service delivery model, and expanded legal aid provision, which are cross cutting by nature require strong coordination and collaboration across the sector's various actors, an issue that has proven challenging in the past.** In general, the delivery of justice services requires the coordinated work of various sector actors (lawyers, judges, police, prosecutors, clerks, bailiffs, etc.) as well as institutions spanning the executive and judicial branches and non-state entities (MOJ, Ministry of Internal Affairs, Courts, Bar, etc.), with this being particularly true for complex cases such as banking, insolvencies, and organized/cross-border crimes (money laundering, human trafficking). Challenges in this area are not new; the 2012 Justice Functional Review found that poor inter-institutional coordination amongst justice sector stakeholders had led to the inefficient use of resources and resulted in underperformance across the sector.<sup>41</sup> Subsequently, the 2015-2020 Strategy for Development of the Judiciary (SDJ 2015-2020) and its action plan highlighted the need to foster justice sector coordination to improve the quality and efficiency of justice services. Though advances have been made, including the creation of the

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<sup>39</sup> World Bank. ThinkHazard! < <https://thinkhazard.org/en/report/203-romania/>>

<sup>40</sup> SDJ 2022-2025, Specific objective 10.1 1.10. Elaboration of a strategy at the level of the entire judicial sector for the digitization of the physical archive.

<sup>41</sup> These include both internal, like judges, court administrators, public prosecutors, and external, like the parties to a dispute, as well as with the Executive and Legislative branches, bar associations, lawyers, and civil society. In fact, justice sector stakeholders include society as a whole.



interinstitutional Strategic Management Council (COMS),<sup>42</sup> current consultations conducted as part of the forthcoming Functional Review of the Romanian Justice Sector (JFR, P172734) indicate that institutional coordination and collaboration are still modest. These seem to have contributed to the low level of implementation of the SDJ 2015-2020,<sup>43</sup> and, more recently, to the fragmented approach to the preparation of the justice pillar of the NRRP and the challenges in reporting on justice indicators to the European Commission for the Efficiency of Justice (CEPEJ). Legal aid targets under the SDJ 2015-2020 serve as a good example of coordination challenges within the sector, with one department being responsible for allocating the budget and another for drafting legislation, but no department being tasked with the overall responsibility for improving legal aid, resulting in each institution waiting for others to initiate implementation of the measures.

#### *Approach to addressing these challenges*

24. **Recognizing these constraints, and the importance of increasing the efficiency and resilience of justice institutions as well as access to justice services in Romania, the government approved, on March 30, 2022, the Strategy for Development of the Judiciary 2022-2025.**<sup>44</sup> The Strategy has three objectives, to: (i) strengthen the independence, quality, and efficiency of judicial services; (ii) improve access to justice (highlighting the importance of strengthening legal aid); and (iii) fight corruption and crime. The SDJ 2022-2025's interventions are structured around two pillars, with Pillar II focusing on strengthening institutional capacities to manage resources, processes and management, and sector policies by strengthening human resources, optimizing court processes and infrastructure, and ensuring the digital transformation of the justice sector. Furthermore, Romania has earmarked over EUR6 billion in its NRRP for digital transformation, including in the justice sector, to enable access to high-quality digital services for citizens and businesses. The MOJ plans to leverage the NRRP as a vehicle to build resilience and digitalization, with investments under Component 7 that include: (i) data center infrastructure, (ii) virtualization of the ICT applications, (iii) integrated systems of audio-video recording in courtrooms, (iv) security and networking equipment for the entire justice system, (v) small software development/updates, and (vi) equipment (laptops, printers, etc.).

25. **In line with the MOJ's long-term vision as laid out in the SDJ 2022-2025, the authorities have sought World Bank support for strengthening justice institutions.** The proposed project will focus on upstream and downstream management of service delivery, with the objective of improving access to and resilience of justice services in Romania. Through Bank support, the MOJ will strengthen critical aspects of justice institutions to improve service delivery throughout Romania and to implement a user-centric service delivery model that consolidates services in one-stop-shop locations. The project lays the foundational conditions under Pillar II of the SDJ 2022-2025 and enables the planned work under the C14 -Good Governance component of the NRRP.

#### C. Relevance to Higher Level Objectives

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<sup>42</sup> Established in 2016, the COMS consists of the leadership of the Ministry of Justice, the SCM, the Public Ministry, and the HCCJ and is responsible for establishing the medium and long-term strategy and vision for the development of the Romanian judicial system.

<sup>43</sup> In October 2021, less than half of the measures included in the SDJ's action plan were implemented.

<sup>44</sup> The Strategy and its Action Plan are both annexed to Government Decision No 436 of 30 March 2022 on the approval of the Strategy for the Development of the Judiciary 2022-2025 and its related Action Plan.



26. **The proposed project is aligned with the objectives of the Romania Country Partnership Framework (CPF) for the period FY19–FY23<sup>45</sup> and its Performance and Learning Review,<sup>46</sup>** which has the overarching goal of building institutions fit for a prosperous and inclusive Romania. Project activities aim to ensure that key elements and enabling conditions for providing and accessing critical justice services are in place. The proposed project meets the CPF selectivity filters of (i) strengthening institutions, by targeting the strengthening of key justice institutions and priority aspects related to the sector’s overall management (e.g., digitalization); (ii) developing innovative solutions that benefit the poorest and most vulnerable, through its direct support to strengthening access to justice services through a user-centric approach of enhanced legal aid and development of an integrated service (one-stop shop) provision model; and (iii) contributing to regional and global public goods, through its impacts on supporting a well-functioning justice sector which ensures accountability and stability through the provision of efficient and effective access to rights and conflict resolution services for the most vulnerable groups, including FDPs from Ukraine. The Project will contribute to the first CPF focus area “Ensure equal opportunities for all” by improving access to selected justice services, and to the third CPF focus area “Build resilience to shocks” by improving the management of the Justice sector’s resources.

*Citizen Engagement*

27. **The project will deploy a range of tools to deepen citizen engagement, focusing on vulnerable justice users (LGBTI, women, ethnic minorities, among others).** These will include awareness and capacity enhancement campaigns on rights and accessing legal aid, training for development of digital skills, and consultations with internal and external stakeholders. The project will collaborate with civil society organizations (CSOs) (including those working on supporting access to justice for women, survivors of GBV, Roma, and LGBTI) to ensure messages are appropriate and well-targeted. Consultations will inform the needs assessment of service users and adjustments to legal frameworks and other aspects of project implementation, ensuring that justice service users’ views (including those of non-citizens such as FDPs) are well-incorporated. Additionally, feedback from justice providers and users will be collected through perception surveys, focus groups, and other mechanisms (such as feedback polls administered through text messages). Results will be disaggregated by type of user and demographic information (gender, age, ethnicity, citizenship/migration status) and will be used to inform project activities, monitor progress, take corrective action, and assess impact at project closing. Survey results will be shared publicly on the MOJ’s website, together with an assessment of their impacts on project implementation at the project’s midterm review and closing. (See Table 1 for a summary of CE mechanisms, activities, and indicators.)

TABLE 1: CITIZEN ENGAGEMENT (CE) MECHANISMS, PROJECT ACTIVITIES AND INDICATORS

Citizen Engagement Mechanism	Project Activity	Indicator
Public consultations on Romania’s legal aid framework	Conduct two phases of public consultations on Romania’s legal aid framework. The first phase of consultations collect feedback on gaps in Romania’s existing legal aid framework. The conclusions of the consultations will inform the expanded framework for legal aid to be developed under the proposed project. The second phase will collect feedback on expanded framework. These	Implementation of expanded framework for legal aid provision (Year 1 target: gap needs assessment carried out; Year 3 target: Public consultations on updated framework)

<sup>45</sup> Country Partnership Framework for Romania for the Period FY19–FY23. Report No. 126154-RO, discussed by the Board of Executive Directors on June 19, 2018.

<sup>46</sup> Performance and Learning Review, Report No. 160350-RO, discussed by the Board of Executive Directors on July 29, 2021.



	consultations will be considered before submitting the expanded framework for Parliamentary approval. <i>(Contemplated within Activities 1.1(a) and 1.1(d).)</i>	
Grievance redress mechanism (GRM)	Grievances are registered in the GRM and responded to within two weeks and resolved within four weeks. <i>(Contemplated within Component 3.)</i>	Percentage of the grievances submitted to the GRM established by the project that are addressed following the mechanism’s procedures (Target: 100%)
Perception surveys and focus groups	Collect data on perceptions of internal and external users of selected justice services. The survey results, which will be disaggregated by type of user and demographic information (gender, age, ethnicity, citizenship/migration status), will inform the implementation of project activities. Survey reports will be made publicly available on the MOJ’s website. The results and impact on project activities will also be considered at the project’s midterm review and closing. <i>(Contemplated within Activities 1.1(d) and 1.2(d).)</i>	

Gender

28. **Women are one of the vulnerable groups targeted for improved access to justice services under the proposed project.** In light of the cross-cutting nature of access to justice for all aspects of life, advances in ensuring women’s access to justice services are key to supporting progress within all four pillars of the World Bank Group Gender Strategy (FY16-23), including for example, Pillar 4 (Enhancing women’s voice and agency and engaging men and boys),<sup>47</sup> which is closely linked to existing challenges such as those related to gender-based violence highlighted above. The project will build upon gender disparities identified through the JFR, and include specific actions to address them including: (i) development of ICT capabilities needed to track the provision of legal aid to women; (ii) targeted capacity enhancing campaigns responding to specific needs of the women in terms of rights-awareness and access to justice and legal assistance services; (iii) designated services within the justice one-stop shops to serve the needs of women; (iv) assessments of access by gender to discern if there is a need to adjust and differentiate project implementation approaches, and (v) targeted focus groups to deepen engagement with women throughout project implementation. See Table 2 for a summary of the gender results chain associated with project activities.)

TABLE 2: GENDER RESULTS CHAIN

Gender Gap	Gender Action	Gender Indicator
In Romania – a country where 30 percent of women report having experienced gender-based violence – women’s access to justice remains inadequate.	<i>Filling the data gap</i> <ul style="list-style-type: none"> <li>Assessments of access by gender to discern if there is a need to adjust and differentiate</li> </ul>	<ul style="list-style-type: none"> <li>Management tools for legal aid, includes development of new RMS module, including</li> </ul>

<sup>47</sup> World Bank Group. *World Bank Group Gender Strategy (FY16-23). Gender Equality, Poverty Reduction, and Inclusive Growth.* <https://documents1.worldbank.org/curated/en/820851467992505410/pdf/102114-REVISED-PUBLIC-WBG-Gender-Strategy.pdf>.



<p>Women face a range of social and economic barriers to justice, such as gender-based discrimination, lower salaries than men, and underrepresentation in public and decision-making positions, as well as fear and trauma when bringing forth claims. Women who are part of vulnerable and marginalized groups (e.g., poor, Roma, elderly, disabled, LGBTI) face even more challenges. Less than a quarter of domestic violence victims in Romania report abuse to the police and up to 13 percent later withdraw their complaints. Today, Romania’s existing legal aid framework excludes pre-trial legal advice and support for navigating administrative processes, complicating vulnerable groups’ such as women’s ability to access justice services. Currently, however, the specific gaps in legal aid provision are difficult to assess, as the MOJ simply processes requests for payment of legal aid services rendered, and there are no tools to monitor who gets what or disaggregated data on vulnerable groups’ benefitting from legal aid.</p>	<p>project implementation approaches. <i>(Contemplated within Activities 1.1(a) and 1.2(a).)</i></p> <ul style="list-style-type: none"> <li>• Development of ICT capabilities needed to track the provision of legal aid to women <i>(Contemplated within Activity 1.1(c).)</i></li> </ul> <p><i>Improving women’s access to services</i></p> <ul style="list-style-type: none"> <li>• Development of methodologies and protocols for the prioritization and non-discriminatory treatment of women and other vulnerable groups, in the provision of legal aid <i>(Contemplated within Activity 1.1(b).)</i></li> <li>• Designated services within the justice one-stop shops to serve the needs of women <i>(Contemplated within Activity 1.2(c).)</i></li> <li>• Training for justice sector actors engaged in the provision of legal aid on the appropriate handling of Roma, GBV and LGBTI related cases <i>Contemplated within Activity 1.1(d).)</i></li> <li>• Targeted capacity enhancing campaigns responding to specific needs of the women in terms of rights-awareness and access to justice and legal assistance services <i>(Contemplated within Activities 1.1(d) and 1.2(d).)</i></li> <li>• Targeted focus groups to deepen engagement with women throughout project implementation <i>(Contemplated within Activities 1.1(d) and 1.2(d).)</i></li> </ul>	<p>capabilities for tracking demographic information (including gender) of legal aid recipients that can then be used to inform service delivery decisions, developed and in use</p> <ul style="list-style-type: none"> <li>• Percentage of parties receiving legal aid services compared to the overall number of parties (including disaggregation by gender) (Target: To be confirmed during implementation)</li> </ul>
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**Climate change**

29. **The proposed project will contribute to climate change mitigation and adaptation, and is expected to have climate co-benefits.** The rehabilitation of the selected courts and tribunals, and implementation of user-centric one-stop shops will consider risks emanating from extreme weather (heat waves, flooding) (adaptation), and incorporate environmentally conscious features, including adoption of waste and recycling management systems, use of solar energy, climate smart insulation standards and other features improving energy efficiency (mitigation). Support to the sector’s digitalization strategy in general and of the archives in particular will contribute to business continuity in the event of growing climate related extreme weather events such as flooding and fires.



### **Private capital mobilization**

30. While the proposed project does not contribute directly to private capital mobilization (defined as co-financing by a private entity of the associated World Bank operation), the project aims to forge partnerships that will contribute to the leveraging of private sector resources in the provision of legal aid. Law firms, bar associations, academia (law faculties) as well as individual practitioners (lawyers and law students) may support project activities through the provision of pro bono services for legal aid. These, as well as other civil society organizations may also contribute financial aid in support of the provision of legal aid for vulnerable populations. The POM will provide guidelines and procedures for the establishment of these pro bono private partnerships.

### **World Bank's Global Crises Response Framework**

31. The project is also well-aligned with the World Bank Group's Global Crises Response Framework,<sup>48</sup> which builds upon the pillars of the COVID-19 crisis response and reflects lessons learned from the pandemic and past food crises. Specifically, it contributes to *Pillar 4: Strengthening policies, institutions, and investments for rebuilding better* which aim to utilize the opportunities the crises provide to improve long-term development outcomes, through its contributions to strengthening public institutions and digital development via support to back-office improvements in the management of justice service provision and setting the foundations for the digitalization of service delivery. It is also aligned with *Pillar 2: Protecting people and preserving jobs*, which underlines the need to support migrants and refugees who have been displaced by Russia's invasion of Ukraine, through the work aimed at strengthening their (and other vulnerable groups) access to justice services, and *Pillar 3, Strengthening resilience*. In particular, Subcomponents 1.1 and 1.2 contribute to Pillar 2; Subcomponents 1.1, 1.2, 1.3, 2.1, 2.2, and Component 3 to Pillar 3, and Subcomponents 1.1, 1.2, 1.3, 2.1, 2.2, and 2.3 to Pillar 4.

## **II. PROJECT DESCRIPTION**

### **A. Project Development Objective**

32. **PDO Statement:** to improve access to and the resilience of selected justice services.

33. The following definitions apply to the PDO:

- (a) "Access" is defined in terms of the percentage of parties (either claimants or defendants) to a claim requesting and receiving legal aid out of the total number of parties to civil proceedings; and the claims made for selected justice services in FICs associated with a one-stop shop as a percentage of total claims for those services. Access to legal aid is expected to be tracked by gender; data on claims for selected justice services will be disaggregated by vulnerable groups to the extent possible.

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<sup>48</sup> World Bank Group. *Navigating multiple crises, staying the course on long-term development: The World Bank Group's response to the crises affecting developing countries.* Global Crises Response Framework Paper. July 2022. <https://documents1.worldbank.org/curated/en/099640108012229672/pdf/IDU09002cbf10966704fa00958a0596092f2542c.pdf>.





- (b) “Resilience” is defined in terms of the upstream management needed to ensure that downstream services can be effectively implemented in the case of unexpected events including high risk physical hazards linked to climate change and includes courts that are implementing business continuity plans to safeguard their operations and have taken action to ensure the continuity of access to their archives through the roll-out of digital archiving.
- (c) “Selected justice services” refers to downstream, user-facing services such as legal aid and selected, commonly requested civil claims. Services within the selected FICs will be chosen based on them representing a significant share of the court’s transactions and expected large impacts of service provision through a one-stop shop (e.g., services requiring inputs from multiple authorities, sensitivity of topics, etc.). Details will be specified in the POM.

### PDO Level Indicators

34. **Successful achievement of the PDO above will be measured with the following outcome level indicators:**
- (a) Percentage of parties receiving legal aid services compared to the overall number of parties (including disaggregation by gender) (*access*)
  - (b) Percentage of claims made for selected justice services in FICs served by user-centric one-stop shops compared to total claims for those services (*access*)
  - (c) Percentage of the Bucharest Tribunal’s archives which have been digitalized (*resilience*)
  - (d) Percentage of FICs implementing business continuity plans to respond to unexpected events (including climate change induced natural disasters) (*resilience*)

### B. Project Components

35. **The proposed project aims to improve access to and the resilience of selected justice services by improving both downstream service delivery to users as well as the sector’s upstream resource management.** It will support targeted reforms and investments to strengthen management by justice institutions of the sector’s resources and establish key building blocks for the shift towards a more integrated model of justice service provision in Romania. It will be financed through a EUR 100 million Investment Project Financing (IPF) from the International Bank for Reconstruction and Development (IBRD). Project activities respond to the need to address both upstream and downstream challenges which present barriers to justice service access and the resilience of service delivery, with the goal of having tangible impacts on services delivery that will serve to create momentum for additional future reforms and investments. The proposed project, to be carried out over the course of seven years, is organized around two interlinked technical components, Component 1 – Improving Access to Justice Services, and Component 2 – Improving the Management of the Justice Sector’s Resources, supported by a project management component, Component 3, as well as a contingent emergency response component (CERC) – a mechanism for rapid access to financing to respond to eligible crises and emergencies, as described below, Component 4.

36. **Component 1. Improving Access to Justice Services (EUR 64M).** This component aims to address downstream challenges with service delivery by developing a user-centric approach to the provision of justice services across jurisdictions through improvements to the management of legal aid, development and roll-out of an integrated, user-centric model for justice service delivery, and modernization of selected courts’ infrastructure. Vulnerable groups which include, among others, women, Roma, ethnic minorities, survivors of GBV, FDPs, LGBTI, disabled persons, and the elderly are among the targeted beneficiaries of this component. It includes:



37. *Subcomponent 1.1. Development and implementation of a new, expanded framework for the provision of legal aid* (EUR 2.5M). This subcomponent aims to expand legal aid services to include pre-judicial guidance and legal advice, as well as to strengthen its management through improved planning, execution, and monitoring and evaluation of legal aid services. Activities include:

- (a) conducting a gap needs assessment of legal aid services in Romania, including the key factors impacting provision and considerations for vulnerable groups;
- (b) developing a framework for the provision of legal aid services including: (i) pre-judicial guidance and advice; (ii) defined roles and responsibilities; and (iii) mechanisms for accessing legal aid, including methodologies and protocols for the prioritization and non-discriminatory treatment of vulnerable groups, and monitoring and evaluation processes;
- (c) creating a module integrated with the RMS, including capabilities to collect and analyze demographic data on recipients of legal aid. Demographic data on recipients of legal aid will include gender, urban/rural, location, etc., and enable the more targeted design of context specific adjustments to service delivery; and
- (d) developing and implementing change management, communications, and engagement initiatives for justice sector stakeholders, including legal aid providers and users, to support and encourage use of legal aid services.

38. *Subcomponent 1.2. Development and Rolling Out of a User-Centric Service Delivery Model* (EUR 12.85M). This subcomponent will support the development of a user-centric service delivery model, as well as the design and development of physical infrastructure (one-stop shops) needed to operationalize the user-centric delivery model. Activities include:

- (a) conducting a stocktaking of the most frequent claims brought forward by individuals and businesses and mapping the associated user processes in the Selected Courts;
- (b) simplification of administrative processes in at least two of the Selected Courts' services to enable integrated service provision;
- (c) developing a system-wide model for user-centric provision of justice services, focusing on reducing access barriers to justice for vulnerable groups;
- (d) developing and implementing change management and communications initiatives for justice sector stakeholders to generate support for the system-wide model developed under (c) above and increase awareness of reforms;
- (e) designing, constructing, refurbishing, including provision of furniture and equipment, and rolling out of at least two new justice service centers (one-stop shops) for selected priority services in the Selected Courts. Construction of both will consider energy efficiency and resilience standards, including new minimum performance requirements for existing buildings and new buildings with near-zero energy consumption as set forward in the European energy efficiency and CO<sub>2</sub> minimization standards;<sup>49</sup> and
- (f) conducting preparatory studies for the development of a requested Justice District Project, including: (i) finalization of the detailed design of the buildings, including interior spaces and landscaping, taking into account energy efficiency standards; (ii) preparing the documentation required for building and demolition

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<sup>49</sup> As set forward in the "Methodology for calculating the energy performance of buildings, indicative Mc 001-2022" (published in the Official Gazette of Romania on January 17, 2023).



permits; (iii) quality control over technical engineering and architectural design, including alignment with the high-level urban architectural concept and adjustment of urban planning documentation to the site plans; and (iv) definition of appropriate facility management arrangements.

39. *Subcomponent 1.3. Modernization of Selected Courts under MOJ Authority (EUR 48.65M)*. This component aims to improve the justice system's ability to deliver services and strengthen the resilience of selected courts set forth in the Project Operations Manual which are under the authority of the MOJ in underserved regions. Activities include:

- (a) assessment of court building infrastructure, taking into account service delivery needs, access standards, and resilience risks. Resilience risks include those related to natural disasters and climate change;
- (b) designing, building, and rehabilitating selected courthouses as detailed in the Project Operations Manual;<sup>50</sup>
- (c) providing site supervision services for the implementation of the activities under paragraph (b) above; and
- (d) the improvement of LAN infrastructure for selected courts for which LAN assessment has been performed, taking into account resilience standards.

Construction will take into account energy efficiency and resilience standards, including the new minimum performance requirements for existing buildings and new buildings with near-zero energy<sup>51</sup> consumption as per European energy efficiency and CO<sub>2</sub> minimization standards.

40. **Component 2. Improving the Management of the Justice Sector's Resources (EUR 34.4M)**. The component aims to strengthen the resilience and management capacities of justice sector institutions through improvements to the management of the justice sector's resources, including continuing advancements in digitalization and the development of business continuity plans, as well as through building institutional capacity and strengthening coordination and collaboration across the sector. It includes:

41. *Subcomponent 2.1. Strengthening Institutional Foundations for Digital Transformation of the Justice Sector (EUR16.7M)*. This subcomponent aims at the development of key tools and capacities of the MOJ and other relevant stakeholders to lead the digital transformation of the justice sector. Activities include:

- (a) the development of a digital strategy, guidelines, and methodologies for the adoption of key digital principles in the justice sector. Key principles would include interoperability, once-only, use and reuse, and digital by default and identification of future potential areas of reform which could include, inter alia, enabling of e-hearings, use of artificial intelligence tools, etc.;
- (b) the development of business continuity plans for the overall justice sector, including the MOJ, first instance courts, and other targeted courts. Such plans would include planning for various types of disruptions, including among others, climate change induced natural disasters and other events;

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<sup>50</sup> Selection criteria to be set forth in the POM, for courts to be rehabilitated could include condition of infrastructure, court caseload/needs of judicial staff, the needs of poor and vulnerable communities (particularly Roma and FDP).

<sup>51</sup> As set forward in the "Methodology for calculating the energy performance of buildings, indicative Mc 001-2022" (published in the Official Gazette of Romania on January 17, 2023).



- (c) the delivery of training, and other change management and targeted capacity building activities to selected justice sector stakeholders on priority subjects, including digital skills, core justice systems (such as ECRIS and RMS), and cybersecurity; and
- (d) the update of RMS applications and databases elaborating specifications and purchasing of new hardware, and providing user-support staff training and specialized support services for maintenance of the RMS.

42. *Subcomponent 2.2. Transition to Digital Archives Management (EUR 16.2M).* This subcomponent aims to strengthen the justice sector's management of information and support the transition to digital archives management in the Bucharest Tribunal. The project focuses the introduction of new digital archives in Bucharest as it is the jurisdiction generating the largest volume of paper. Piloting the transition to digital archives in the Bucharest Tribunal will reduce or eliminate the need to transfer physical archives files to the planned Justice District in Bucharest and increase the resilience of its records to physical threats such as those posed by climate change induced natural disasters. Activities include:

- (a) the development of an assessment and action plan for the management of archives in the justice sector, including required interoperability mechanisms, cybersecurity, and resilience systems. Resilience systems will enhance the resilience of courts' operations to disruptions from, inter alia, climate change natural disasters such as the heightened risk of fires in Bucharest, and other events;
- (b) the review and update of the regulations for archives management;
- (c) the design of methodologies and processes for transitioning from a paper-based archive system to a centralized and digital system, including a methodology for transferring all justice archives to the Justice District;
- (d) the roll out of digital archiving methodologies and processes in the Bucharest Tribunal, including necessary hardware and software; and
- (e) the delivery of capacity building and change management activities on transitioning to digital archives.

43. *Subcomponent 2.3. Improving Coordination and Collaboration within the Justice Sector (EUR 1.5M).* This subcomponent aims to strengthen the capacity of justice institutions to cooperate and coordinate in the planning, implementation, and monitoring and evaluation of key sector priorities.<sup>52</sup> Activities include:

- (a) updating the regulatory frameworks and institutional structures for intra- and inter-institutional coordination and collaboration based on identified coordination gaps;
- (b) design and operationalization of improved coordination arrangements for justice sector institutions' oversight of the implementation of reforms; and
- (c) delivering training and coaching sessions to key staff of selected justice sector institutions on platforms for coordination and collaboration across the justice sector. Critical, cross-cutting topics which are expected to be covered include among others, strategic planning, performance-based budgeting, and others required in NRRP implementation.

44. **Component 3. Project Management (EUR 1.6M).** This component aims to ensure efficient and effective project management. Activities include: (a) carrying out Project coordination and management activities, including operation of

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<sup>52</sup> Activities under subcomponent 2.3 will be informed by the Functional Review of the Romanian Justice Sector.



the MOJ's Department for Implementation of Externally Financed Projects (DIEFP), monitoring and evaluation, fiduciary, audit, and reporting; and (b) provision of selected technical assistance and capacity building contributing to improving access to and the resilience of selected justice services.

45. **Component 4. Contingent Emergency Response Component (CERC) (EUR 0 million).** This component will provide immediate response to an Eligible Crisis or Emergency, as needed. Eligible Crisis or Emergency means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Borrower, associated with a natural or man-made crisis or disaster.

46. Given Romania's exposure to geophysical and climate change-induced disasters, a Contingent Emergency Response Component (CERC) is introduced under the project. The CERC is an ex-ante mechanism available to the Government for rapid access to financing to respond to an eligible crisis or emergency. The Borrower may request the Bank for a rapid re-allocation of project funds to support an eligible crisis or emergency (e.g., serious storms, floods, earthquakes, droughts, disease outbreaks). Possible response, repair, and rehabilitation investments under CERC would consider mitigation and adaptation measures. As needed, this component would draw from the uncommitted loan resources from other project components to cover emergency expenditures. There is flexibility in establishing the level of evidence needed to activate CERC, including but not limited to issuances, such as an issuance by the National Committee for Special Emergency Situations (NCSES) in accordance with Emergency Ordinance No. 21/2004, as subsequently amended, that mobilizes financial and/or other resources for emergency response.<sup>53</sup> It is important to note that the decision to trigger the CERC, in case of an emergency, rests fully with the Borrower, with no obligation to do so. IBRD loan withdrawals under the CERC can only be made after (i) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Loan amounts for Emergency Expenditures, in line with the terms in the Loan Agreement, and the Bank has agreed with such determination, accepted said request and notified the Borrower thereof; and (ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.

### C. Project Beneficiaries

47. **The project has three broad groups of beneficiaries.** First are the individuals, businesses, and other users who stand to gain from improved access to justice services, and the downstream improvements to broader service provision expected to result from the project's impact on the resilience of service delivery. Vulnerable groups which include, among others, women, Roma, ethnic minorities, survivors of GBV, FDPs, LGBTI, disabled persons, and the elderly are among the targeted direct beneficiaries. The second group of beneficiaries is made up of the courts and other justice sector entities who will benefit from simplified administrative processes, improved coordination mechanisms, development of a standardized methodology for the digitalization of justice archives, the direction provided by a sector wide strategy for digitalization, and training. Other beneficiaries at this level also include other actors within the sector, including attorneys, the bar association, and civil society organizations which regularly interact with and work with justice sector entities and

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<sup>53</sup> The key legislation regulating the management of emergency situations includes the following: Government Emergency Ordinance No. 21/2004 on the National Emergency Situations Management System (Sistemul Național de Management al Situațiilor de Urgență), as subsequently amended; and Government Decision No. 557/2016 regarding the management of all types of risk, along with its secondary legislation, Government Decision No. 94/2014 on certain measures for emergency situation management. According to Government Decision No. 94/2014, the NCSES is responsible for issuing decisions on actions that should be taken to respond to the emergency situations generated by the existing risks. It is envisaged that the legal evidence for the trigger will be a decision of the NCSES (referred to in Romania as a "HOTĂRÂRE"), which is signed by the president of the NCSES (currently minister of internal affairs).



which will benefit from clearer processes to do such in areas like legal aid and services targeted for more integrated service provision.<sup>54</sup> Third, at the center of the reform, are the Ministry of Justice, courts selected for infrastructure modernization, and staff of the user-centric justice service centers.

#### D. Results Chain

48. **The expected results and impact of the project are presented in Figure 2.**

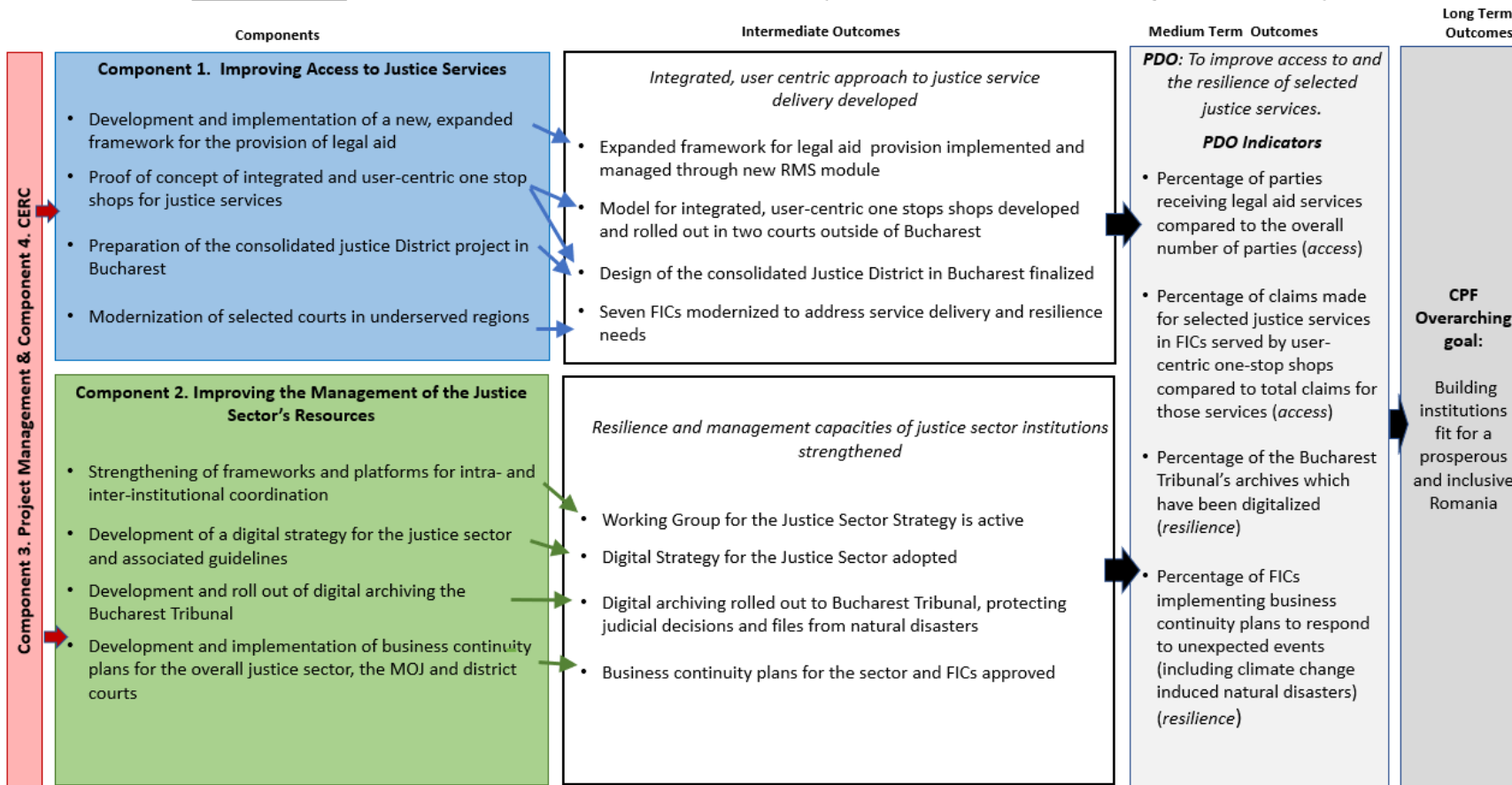
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<sup>54</sup> There are also expected spillover effects to international organizations and the European Commission which will benefit from increased coordination and collaboration for better reporting.



FIGURE 2: THEORY OF CHANGE

**Problem Statement:** Persistent barriers to access and an outdated service delivery model hinder the sector’s resilience and justice service delivery



**Critical Assumptions:** Maintenance of high-level political commitment to the areas of reform under the project. Adequate technical capacity within the Government to implement planned activities, and effective coordination between justice sector entities.



#### E. Rationale for Bank Involvement and Role of Partners

49. **The proposed operation represents the next phase of the Bank's engagement in the justice sector reform in Romania and continues a longstanding partnership with the MOJ.** The proposed project builds upon progress achieved through previous Bank engagements both from analytical studies (JFR2013 and forthcoming JFR) and financing (JRP, JSIP) that provide a solid base upon which to advance towards the next generation of reforms. Based on critical investments initiated under JSIP, such as expansion and upgrading of LAN infrastructure and modernization of selected courts, as well as actionable recommendations to address gaps in the functioning of justice sector institutions as identified in the baseline diagnostic of the JFR, the proposed project will help implement a holistic user-centric approach to justice service delivery (especially for vulnerable and underserved citizens and businesses). The Bank has extensive knowledge of cross cutting challenges facing Romania's justice sector as well as regional and global expertise with these types of institutional reform processes. The Bank's convening power will help to strengthen coordination across institutions within the three branches of government, especially the Executive and Judicial branches in support of complex reforms, such as the new framework for legal aid provision.

50. **The proposed project has been prepared in close consultation with relevant stakeholders, including other development partners, such as the EC.** This consultative approach helped identify opportunities for synergies, comparative advantages to addressing outstanding gaps and maximize overall impact for Romania's justice sector. The project complements other donor funded projects and technical assistance, such as operational programs under the 2021-27 EU programming period, Norway grants (Romanian Justice Programme), and the NRRP. In particular, the project is designed to leverage financing allocated to reforms and investments under components 7 and 14 of the NRRP. In this sense, the project will include complementary activities that have no other source of available funding (e.g., EU-financed operational programs, NRRP, state resources). The activities aim to act as enablers for the successful roll-out and sustainability of justice reforms under the NRRP and the new justice sector development strategy and action plan. For example, IBRD funds will be used to finance the modernization of selected courts to enhance sub-optimal court facilities for service provision (including LAN infrastructure), which is a necessary pre-condition to the achievement of the NRRP digital-related milestones and implementation of justice sector digital strategy. Likewise, the project will establish the technical underpinnings for digitization of archives that are critical to the implementation of justice sector development strategy as well as MOJ's future reform plans for the establishment of a Justice District in Bucharest.

#### F. Lessons Learned and Reflected in the Project Design

51. **The proposed project has been designed considering lessons learned from over more than a decade of Bank's partnership with Romania on justice sector reform.** These include first generation lending operations focused on improving judicial infrastructure (2006 Judicial Reform Project<sup>55</sup>) as well as assessments that centered primarily on court performance (i.e., 2013 Functional Review of the Judiciary). Through the second generation of justice engagements in Romania (JSIP), the Bank shifted towards a more comprehensive approach to reform, focusing on institutions involved in the provision of justice services. The design of the proposed project provides a user-centric focus – understanding justice as a multi-faceted public service, that can only be delivered effectively through the participation of various justice institutions to ensure effectiveness and resilience (continuity) of services.

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<sup>55</sup>World Bank. Implementation Completion and Results Report on a Loan in the Amount of €110 million (US\$130 million equivalent) to Romania for a Judicial Reform Project. P090309. Report No. ICR00003912. September 29, 2017.





**52. The proposed project design builds on past lessons learned and fosters ownership and sustainability of reforms, such as:**

- a) Prioritizing institutional strengthening and interinstitutional coordination and collaboration as complements to physical infrastructure investments to advance the delivery of justice services. While the JRP and JSIP focused heavily on providing adequate access to judicial infrastructure, additional efforts are needed to transform justice sector institutions into delivering user-centric justice services. The proposed project incorporates several institutional activities that will support such critical reforms.
- b) Incorporating change management and citizen engagement activities to raise awareness, consolidate and sustain complex reforms. Considering the user-centric focus of the project, upstream change management is necessary to transform service provision and targeted downstream engagement is required to ensure reaching out to users (particularly vulnerable groups) that may have been underserved in the past and ensuring the uptake of services such as legal aid.
- c) Strengthening the implementing department to ensure collaboration and close coordination between the MOJ, MOF and beneficiary institutions. The DIEFP in MOJ plays a pivotal role in the provision of continuity and pacing of implementation of the project's activities. As such, the leadership role of the DIEFP is expanding along with the complexity of its interaction with various justice institutions and stakeholders, which will require empowerment from MOJ's management.

**53. Furthermore, the project design benefits from global lessons learned from the World Bank's and others' broader engagement in the justice sector.**<sup>56</sup> Past experience with justice sector reforms evidence the need to be strategic, focusing on binding constraints that impede improving performance, applying citizen centric approaches to problem solving, and committing to medium and long-term horizons for ensuring change and sustainability of reforms. The proposed project activities have been carefully selected based upon consideration of both their development impact and the feasibility within the broader political economy context. Its outcomes have also been calibrated to include a combination of impacts focused on end-users and more upstream impacts on public management processes.

### III. IMPLEMENTATION ARRANGEMENTS

#### A. Institutional and Implementation Arrangements

**54. The project will be carried out over the course of seven years and the implementing agency is the MOJ.** The project will be managed through the DIEFP. The DIEFP has solid experience with implementation of World Bank financed projects, including the JRP and JSIP, and its familiarity with Bank processes and working modalities will be important for ensuring the project's smooth implementation. The DIEFP will be responsible for day-to-day project implementation, including the procurement of goods, works, non-consultants' and consultants' services, the justification of fund disbursement and financial management, audit, and control, monitoring and reporting. DIEFP will coordinate closely with beneficiaries such as the Bucharest Tribunal and selected courts. The DIEFP will also ensure coordination with the COMS

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<sup>56</sup> World Bank. *The World Bank: New Directions in Justice Reform*. A Companion Piece to the Updated Strategy and Implementation Plan on Strengthening Governance, Tackling Corruption. 2012.



and with the MOF, to ensure adequate budget allocations are assigned in line with the planned implementation schedule. The POM will establish the guidelines for project implementation and overall coordination.

55. **In the past, the DIEFP has faced challenges with understaffing due to difficulties in attracting and retaining qualified staff linked to wage constraints and also limited availability of certain specializations in the Romanian market, but these issues are not expected to impact implementation of the proposed project.** Past issues with understaffing have not impacted the DIEFP's ability to implement previous Bank projects satisfactorily, with the MOJ having complemented the personnel of the DIEFP with supplemental contractual hirings in selected specialties. The DIEFP's current composition per the JSIP POM includes: a Project Manager, Deputy Project Manager, Technical Manager, ICT Manager, Financial Manager, Procurement Manager, two Procurement Specialists, a Procurement Assistant, two Technical Specialists, two ICT specialists, a Legal Advisor, a Judicial System Specialist, two Financial Specialists, Social and Stakeholder Engagement Specialist, and two drivers. Two qualified specialists covering Environmental and Social respectively have been brought onboard. An additional Occupational Health and Safety Specialist will be required, considering that the project will involve multiple civil works. Other experts such as expertise for community engagement may be hired as needed to support the project's inclusion aspects. In addition, an additional Procurement Assistant, a Financial Specialist, Legal Specialists, and an Archive Specialist will be added.

56. **A POM detailing responsibilities, accountabilities, processes, and procedures governing the project will be adopted in a manner acceptable to the Bank before effectiveness.** It will include, *inter alia*: (i) roles and responsibilities of relevant stakeholders in terms of support to Project implementation and monitoring of results, (ii) Project monitoring and evaluation; (iii) format of financial statements, chart of accounts, and interim unaudited financial reports; (iv) performance indicators for monitoring and evaluation purposes; (v) relevant environmental and social risk management requirements and processes; (vi) the detailed arrangements for the Project's grievance redress mechanism; and (vii) the list of selected courts proposed for design, building, and rehabilitation in accordance with the Procurement Plan.

#### B. Results Monitoring and Evaluation Arrangements

57. **A Results Framework with project-specific indicators and actionable monitoring arrangements has been agreed with key counterparts.** The project will use government systems for project monitoring to the extent possible. Section VII presents the project's PDO and intermediate indicators. The DIEFP will present semi-annual progress reports on project implementation, output, and performance indicators to the Bank. DIEFP will gather the data for the indicators in the results framework with the support of the relevant institutions. In addition to administrative data, the project will generate data on experiences and perceptions of performance through a series of targeted surveys of institutional and end users of justice services. Survey data will be disaggregated by gender and target group. Surveys will be publicly available and used to engage with stakeholders, the public, and vulnerable groups in two-way dialogue on justice issues.

58. **The Bank will conduct semi-annual implementation support missions to evaluate the achievement of results and agree on adjustment or corrective measures when necessary.** The DIEFP will also inform the Bank of any identified/anticipated challenges between implementation support missions. The achievement of the targets and implementation progress will be documented in Aide Memoires and Implementation Status and Results Reports (ISRs), and the results framework will be carefully monitored to ensure continuing relevance. The ISR containing the results framework, key project ratings and summary of project performance will be publicly disclosed in the Bank website. In the third year of project implementation, a detailed midterm review will be conducted.



### C. Sustainability

59. **The government has demonstrated a strong commitment to the project and its development objective, with a high level of technical and political commitment to the areas of intervention to be supported.** Within the broader context of recent changes to the *Justice Laws* and recognizing the importance of future adjustments in order to support Romania under the new reporting processes to the EU as part of the Country Law Reports and European Semester reports, the proposed project has been intentionally scoped to support key aspects of justice service provision that will contribute to downstream improvements in service delivery to users but will also target a harmonized and systematic strengthening of the justice sector by working with various sector institutions. The MOJ is highly committed to the activities included in the proposed project and strongly support the reforms included herein as a foundation for future advancement under the Justice District project. The reforms supported by the proposed project build on the strong foundations of past reforms that continue to be prioritized through changing administrations.

60. **Stakeholder engagement, change management activities, and implementation arrangements supported by the project are expected to deepen ownership of the changes within and across institutions.** Change management approaches including communications and consultations will seek to build commitment of all staff and relevant stakeholders involved in the change process. Implementation arrangements envisaged by the project include participation from various stakeholders, including key government institutions responsible for justice service provision (MOJ, selected courts, prosecution offices, etc.), the bar association, and relevant civil society organizations, further deepening ownership of reforms being undertaken by the project.

## IV. PROJECT APPRAISAL SUMMARY

### A. Technical, Economic and Financial Analysis

#### *Technical Analysis*

61. **The project design reflects a system-wide approach to justice sector reform.** There is a high-level awareness among justice sector stakeholders of the sector's proposed direction and priorities, but the lack of integration on their respective reform efforts results in loss of synergies and limited impact from one-off efforts. Bank-supported interventions (including analytic work) offers a comprehensive set of analytic underpinnings and actionable recommendations to support justice stakeholders to improve their management systems and ultimately deliver on their institutional mandates. The project design focuses on the implementation of strategies (especially SDJ 2022-2025) as well as on establishing enabling conditions for sector modernization under the government's NRRP. The SDJ 2022-2025 approved on March 30, 2022, as part of the milestones included in the NRRP for the judiciary (milestone 421) mostly carries over activities from the previous SDJ 2015-2020.

62. **The design of the project builds directly on the recommendations of the 2022 JFR baseline diagnostic and operationalizes its findings.** The technical project design is based on the SDJ and informed by sound analysis in the form of the forthcoming 2023 JFR. The scope to strengthen the provision of legal aid and the recommendation for the implementation of user-centric justice service centers results from over 40 consultations with users, bar associations, and civil society organizations in discussions held during the implementation of the JFR. The design of the civil works and court



assessments components builds on previous work supported by JSIP in accordance with standards and international good practice, including compliance with EU and international standards for physical accessibility and for the treatment of prisoners (especially juveniles) and victims of crime. The standards have been endorsed by the MOJ and are the basis for the design of the additional civil works in courts supported under the project. The technical design for archive investments as well as RMS updates respond to new Borrower needs. The methodology for digitalizing archives is needed to reduce the paper trail of district courts in advance to the relocation of courts and corresponding archives to the Justice District under the requested Justice District project. Further work to develop digital strategies and action plans in this project respond to establishing enabling conditions required by NRRP undertakings.

63. **Overall, the project's approach meets the borrower's needs** by complementing and leveraging EU recovery funds, financing civil works as well as supporting digitalization and technical assistance requirements which cannot be financed from available grants.

#### *Economic Analysis*

64. **Overall, the project's benefits are expected to exceed project costs.** Total project costs are EUR 100 million, to be financed through the proposed IPF. The estimated economic costs include the resources to be invested in the project and expenses that will be incurred to operate and maintain the RMS, archives, and courthouse infrastructure. Such costs encompass value of an investment, government personnel time associated with the implementation of the project and operation and maintenance costs of the upgraded LAN, and other ICT equipment as well as security systems supported by the project. The project is expected to generate significant benefits for individuals, businesses, and government itself. They include (i) time savings for individuals and businesses accessing services through the one-stop shops to be built under the project thanks to efficiencies provided through their integrated service delivery model; (ii) time savings for justice sector employees working in the centers whose own performance of their administrative jobs is expected to be facilitated by their co-location with other related services, and those working in and with the archives where digital archiving will be rolled out; (iii) reduced maintenance costs for improved justice sector architecture updated under the project. The provision of legal aid services is also expected to generate important savings for the public, with studies in the United States and the United Kingdom pointing to significant impacts; in Minnesota, it was found that every dollar invested in civil legal aid returned US\$3.94 in economic benefits to individuals and the community,<sup>57</sup> while another study in the United Kingdom found savings for the state ranging from £2.34 per pound spent on legal aid housing advice to £8.80 per pound spent on legal aid on benefits advice, and £7.13 per pound spent on legal aid on employment advice.<sup>58</sup>

65. **The project will also produce a range of further downstream economic benefits that are not easily quantifiable.** These benefits derive from: (i) more inclusive economic growth and sustainable development due to the downstream impacts of increased access to justice through legal aid; and (ii) greater economic stability and maintenance of a thriving business environment in times of future crises and natural disasters thanks to the project's contributions to the resilience of justice sector operations and business continuity.

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<sup>57</sup> Minnesota Legal Services Coalition. *Economic Impact Measurements of Minnesota Legal Aid*. < [https://mylegalaid.org/downloads/Economic\\_Impact\\_Report.pdf](https://mylegalaid.org/downloads/Economic_Impact_Report.pdf) >

<sup>58</sup> Citizens Advice Bureau. *Towards a business case for legal aid*. Paper to the Legal Services Research Centre's eighth international research conference. July 2010. < <https://namati.org/wp-content/uploads/2015/12/Citizens-Advice-Bureau-Towards-a-business-case-for-legal-aid.pdf> >



66. **Due to challenges associated with the quantification of most benefits under the project and limitations in the availability of data, at design, it is not possible to assess them quantitatively at this time.** The systems to be developed under the proposed project will help to address this data gap, with the expectation that benefits will be better quantified at closing.

## B. Fiduciary

### (i) Financial Management

67. **The financial management (FM) arrangements of the project will rely on the existing systems and structures in place at DIEFP.** These have been used for the implementation of the ongoing JSIP and are assessed as satisfactory. The FM function in DIEFP is represented by two experienced finance specialists who are well-familiarized with the public financial management and World Bank FM and disbursement procedures. The project will be implemented in accordance with the existing disbursement mechanism, whereby expenditures are initially pre-financed from State budget funds and then, when a certain threshold is reached, the IBRD-eligible amounts are claimed by the MOF for reimbursement from the Bank. The disbursed loan proceeds will be transferred to the MoF's account opened with the National Bank of Romania and will be used according to the Romanian legislation on public debt. Adequate and timely budget allocations are critical for effective implementation. DIEFP will coordinate with project beneficiaries to prepare realistic forecasts and duly follow-up on any cash-flow shortages. Appropriate accounting records will be maintained by DIEFP for the project in the MOJ's existing systems. The internal controls framework instituted for the JSIP is reliable and will continue to be used for this project. FM procedures will be detailed in a separate chapter of the POM, reflecting the latest arrangements in place. Quarterly cash-based interim un-audited Financial Reports (IFRs) will be submitted to the Bank in 45 days after each quarter end in the format agreed with the Bank. The project financial statements will be audited by independent auditors acceptable to the Bank, in accordance with terms of reference agreed with the Bank. The annual audit reports will be due for submission to the Bank six months from the end of the Romania's financial year. Further information on the FM arrangements of the project is provided in Annex 1.

68. **The World Bank will exercise its FM oversight through a risk-based approach comprising of desk and onsite reviews, as appropriate.** As part of broader implementation support and supervision, the project's management of finances will be monitored through a risk-based approach that includes: (i) desk review of audit reports and management letters, interim financial reports, and status of action plans agreed with the counterparts following visits or audit findings, if any; and (ii) on-site review of the continuous adequacy of the project's FM arrangements. These will include monitoring and reviewing the implementation status of any agreed actions and issues identified by the auditors, as well as other issues related to project accounting, reporting, budgeting, internal controls, and flow of funds. Special emphasis will be placed on the adequacy of the budgetary allocations to pre-finance project expenses. A walk-through review of a sample of transactions will be also conducted during the on-site FM monitoring reviews.

### (ii) Procurement

69. **Procurement under the project will be carried out in accordance with the World Bank Procurement Regulations for IPF Borrowers** – Procurement in IPF of Goods, Works, Non - Consulting and Consulting Services, November 2020 (hereinafter referred to as "Procurement Regulations") and with the latest Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits.



70. **An assessment of the capacity of the Implementing Agency and DIEFP was carried out.** The Bank assessed the risks to implement procurement processes and recommended measures to mitigate those risks. DIEFP is well experienced with Bank procurement procedures based both on Procurement and Consultant Guidelines and Procurement Regulations. DIEFP is experienced in using the Systematic Tracking of Exchanges in Procurement (STEP), which significantly reduces procurement risks. However, DIEFP would need to resolve the staffing matters and more specifically – strengthen their procurement capacities. Currently, procurement is managed by the Deputy Project Manager (formerly Procurement Specialist) and a Procurement Manager (formerly Procurement Assistant). Given the current and future workload, procurement capacities will need to be further strengthened by hiring additional staff. At the same time, with the increased prices in construction and shortage of materials experienced in 2022 in Romania and which impacted projects financing civil works, including JSIP, the fluctuation of prices in construction remains a risk under the proposed project given that a large part of financing is directed towards civil works. As of the day of the assessment, procurement risk is assessed as Moderate with the residual risk Low after the mitigation measures are implemented after effectiveness.

71. **The Project Procurement Strategy for Development (PPSD) was prepared by the DIEFP and accepted by the Bank.** The PPSD and Procurement Plan were finalized and agreed with the Bank. The PPSD describes the procurement approach that will support the development objective of the project and delivers the best value for money. Based on the nature, size, and complexity of procurement to be financed under the project, the PPSD suggested the most appropriate procurement methods to be applied. Annex 1 includes a summary of the PPSD, as well as other details on the procurement arrangements.

C. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

D. Environmental and Social

72. **The potential risks are moderate for both environment and social.** The following environmental and social standards (ESS) have been found relevant for the project: ESS1 (Assessment and Management of Environmental and Social Risks and Impacts), ESS2 (Labor and Working Conditions), ESS3 (Resource Efficiency and Pollution Prevention and Management), ESS4 (Community Health and Safety), ESS8 (Cultural Heritage), and ESS10 (Stakeholder Engagement and Information Disclosure).

73. **Environmental risks and impacts** will be generated mostly under Component 1 which includes infrastructure. Subcomponent 1.2 - Development and Rolling Out of a User-Centric Service Delivery Model includes the design and development of physical infrastructure needed to operationalize justice services under an integrated, user-centric delivery



model. It will support the operationalization of two one-stop shops, as well as the implementation of design and preparatory work for the Justice District project.

74. **The civil works related to the construction of the two new one-stop shops will have risks which are predictable, temporary and can be mitigated.** These risks include: i) adverse impacts on community health and safety such as dust and noise pollution, disturbance on existing traffic flows and safety, ii) poor occupational health and safety practices, and iii) impacts arising from the temporary relocation of locations of justice services and staff during execution of works. Community health and safety measures will be required to ensure minimal disruption and safety during the execution of the works. Measures will also be put in places to ensure safe waste management, handling of hazardous materials such as asbestos, if encountered. Design of both centers will take also into account energy efficiency and resilience standards.

75. **The moderate social risks are** associated with project activities which are related to potential exclusion in benefits for marginalized segments of the population in regard to accessing improved justice services and legal aid and those related to temporary impacts from civil works. The main challenge is posed by the current limitations on physical access to justice facilities for disabled staff and users, as well as the social exclusion from accessing and benefiting from justice services of vulnerable groups, especially the poorest, Roma, women, sexual minorities and persons living in disadvantaged and remote areas. The gap analysis under Component 1 will assess the extent of these barriers and will identify appropriate communication channels to reach and engage the vulnerable in the design of justice service improvements that will be supported under the project.

76. **Labor-related risks, typically associated with a large and diverse workforce, child labor, labor influx, and gender-based violence (GBV) issues, are considered moderate.** From previous experience in other World Bank financed projects in Romania, the number of foreign workers has been steadily increasing in the past years, with specific risks related to labor rights, language barriers, improper accommodation camps and health and safety risks. Labor influx, usually in smaller settlements, could also pose increased risks of sexual exploitation and abuse. The project GBV action plan will specify actions to further address these specific risks and propose mitigation measures. On labor issues, Labor Management Procedures will be developed to guide the Borrower in ensuring compliance with the Environmental and Social Framework (ESF).

77. **Subcomponent 1.3 - Modernization of Selected Courts under MOJ authority aims to improve the justice system's ability to deliver services and strengthen the resilience of selected courts under the authority of the MOJ, mainly by building and rehabilitating selected courthouses and tribunals in underserved regions.** Civil works under the project will consist of building and rehabilitation works at selected courthouses and tribunals in underserved regions and may include completion of the Corabia and Calafat courts which were originally planned to be financed under JSIP. At this stage, specific project locations have not been identified apart from Corabia and Calafat courts. In this regard, the ESMPs for Corabia and Calafat courts were prepared before the introduction of ESF and, should they be included under this project, would need to be updated to reflect the more robust ESF requirements. Additional new construction and/or rehabilitation works will be conducted in underserved regions and are yet to be identified.

78. **The project seeks to restore, consolidate, and repair the buildings at all selected locations, and also separating the circulation flows imposed by operation/legislation rules in force.** Works in Corabia involve rehabilitation and consolidation of buildings designated to be historical monuments, for which appropriate risks and mitigation measures have been identified and outlined in the existing ESMPs prepared for these investments under JSIP. Even against the ESF



requirements, these risks are not expected to be substantial since the works are mainly rehabilitation and reinforcement in nature. Moreover, Romania has a well-developed cultural heritage protection system with responsibility for monitoring and enforcement conducted by the Ministry of Culture (MOC). The construction permit for rehabilitation works at historical court building includes specific requirements for managing any potential impact to such cultural properties, based on a specific permit that is issued by MOC in accordance with the procedures outlined in the Law 422/2001. During the execution of construction works, the MOC also requires the use of supervisor engineers certified to work on historical buildings. In addition, the bidding documents prepared for this court building under JSIP include specific qualification criteria for contractors to prove expertise and certification in such types of works. Similarly, the design phase for historical monuments is based on a specific technical expertise carried out for such types of buildings.

79. **Land Acquisition will not be required under this Project.** No adverse impacts due to involuntary resettlement, land acquisition, or permanent restrictions to access are anticipated in relation to the works construction under this project, as all civil works are expected to be carried out within their existing footprints. Any reconstruction activities that might cause land acquisition or involuntary resettlement will not be eligible for financing. There will be no deployment of security forces in the implementation of any of the project activities.

80. **In relation to strengthening the legal aid and digital skills enhancement for vulnerable groups, the Stakeholder Engagement Plan (SEP) identifies the appropriate means to perform the gap analysis and reach the most vulnerable groups identified by the project, such as Roma, women, FDPs, etc.** A specific focus under the engagement efforts will be to collect information related to GBV related barriers in accessing and benefiting from justice services, including domestic violence, sexual harassment, and abuse of the most vulnerable members of society.

81. **All potential environmental and social impacts of the World Bank–financed project activities can be managed through robust and well-implemented mitigation measures, which have been outlined in the project’s draft Environmental and Social Management Framework (ESMF) prepared by MOJ and subsequent site-specific ESMPs that will be prepared during project implementation.** All potential environmental and social impacts of the World Bank–financed project activities can be managed through robust and well-implemented mitigation measures, which have been outlined in the project’s draft Environmental and Social Management Framework (ESMF) and a draft Labor Management Procedures (LMP). These instruments will be disclosed, and publicly consulted upon clearance by the Bank and as per the agreed timelines in the Environment and Social Commitment Plan (ESCP). The MOJ has also prepared a Stakeholder Engagement Plan (SEP) which was publicly disclosed and consulted prior to appraisal. Subsequent site-specific ESMPs that will be prepared, disclosed, and publicly consulted during project implementation. A GBV action plan (GBVAP) will also be prepared to mitigate risks related to sexual exploitation, abuse, and harassment, both in relation to justice services’ access and physical infrastructure upgrades. The ESCP developed by MOJ in consultation with the Bank sets out the measures and actions required for the project to achieve compliance with the ESF over a specified time frame.

82. **The DIEFP, the implementing department for this project within the MOJ, will have full responsibility for the implementation and supervision of the ESMF and related site-specific ESMPs, as well as all other ESF documents (SEP, LMP, GBVAP, etc.).** It has a long history of successful project implementation under the JRP, JSIP, and the Justice District PPA. While the DIEFP has proven itself as highly competent, most recently under JSIP, it remains understaffed and faces challenges in attracting and retaining qualified staff due to wage constraints. Loss of staff or further failure to fill positions would have a significant impact on the project given DIEFP’s role in project implementation. To mitigate this risk, a Loan Covenant requires the government to maintain the DIEFP at all times at a level of staffing and resourcing acceptable to





the Bank. While the MOJ has experience with the preparation and implementation of projects supported by the World Bank, this will be the first subject to the World Bank's ESF for the DIEFP. The DIEFP's capacity to apply the new requirements of the ESF and to prepare the environmental and social risk management measures and instruments (like the ESMP) has yet to be enhanced. This institutional capacity enhancement will be done in accordance with the Environment and Social Commitment Plan. The DIEFP will include an environmental specialist, a social specialist, and other experts (e.g., for community engagement) to ensure compliance with the applicable environmental and social requirements. It will be necessary to provide them with ongoing capacity building to enhance their understanding and application of the ESS.

83. **The GBV rating is moderate as assessed by the Sexual Exploitation, Abuse, and Harassment screening tool.** This may reflect the influx of forcibly displaced persons from Ukraine, as of February 2023, 3.6 million had arrived at the Romanian border, with approximately 111,787 remaining in the country; the majority of which are women and minors. This is a vulnerable group with a high risk of gender-based violence, exploitation, and abuse. This situation may constrain accessibility, availability, and effectiveness of GBV services and may increase demand for related justice services. This group is also targeted by this project's activities.

## V. GRIEVANCE REDRESS SERVICES

84. **Grievance Redress.** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit <https://accountability.worldbank.org>.

## VI. KEY RISKS

85. **The overall residual risk rating for the proposed project is moderate.**

86. **Political and governance risk (Moderate).** Political and governance residual risks are moderate following mitigation measures. Romania has continued to experience frequent changes in political leadership at the Ministry and State Secretary level in recent years. Likewise, the legal framework under which the project will be implemented was amended in haste in late 2022, and although the EC lifted the CVM after assessing that the country had met all four benchmarks, the Venice Commission has urged Romania to reconsider aspects of the *three Justice Laws* that may reduce



accountability and limit check and balances within justice institutions,<sup>59</sup> and the possibility of further future adjustments to the laws remains. At present, both parts of this two-part intervention are high priorities for the government; however, changes in government composition could result in shifts in these priorities and affect the pace of implementation. Likewise, shifts in political priorities could delay updates to the legislative and regulatory framework. To mitigate risks associated with continued volatility, the project targeted activities have been aligned with NRRP milestones and the aim is to continue working closely with committed champions at the management and technical levels within the MOJ and other key justice institutions. The project also continues to inform and build relationships at the political level. During implementation, the Bank team will maintain an ongoing dialog with the EC on relevant NRRP reforms. Moreover, as noted under the Sustainability Section, the proposed project reforms build on the strong foundations of past reforms that continue to be prioritized through changing administrations.

**87. Sector strategies and policies (Moderate).** Sector strategies and policies residual risks are moderate. Policies and strategies in the justice sectors are primarily linked to EU requirements and are sometimes prepared to ensure compliance as such. Strategies on specific reform areas, such as the SDJ 2022-2025 were prepared in haste, based on minimal analytical underpinnings, and, in the case of the SDJ 2022-2025, to comply with an NRRP milestones, and will likely require future modifications. Furthermore, inter-institutional coordination, technical capacity, and sustained leadership were key challenges for the implementation of the SDJ 2015-2020. While the NRRP provides a medium-term direction for some reforms in the justice sector, such as strengthening rule of law and accelerating Romania's digital justice transformation, its implementation will require strong coordination between various stakeholders to deliver on expected results (milestones). Risks are mitigated by the fact that the findings and recommendations of the ongoing 2023 JFR being carried out by the World Bank will provide the MOJ the necessary analysis to identify outstanding challenges and inform adjustments to its strategy and action plan at midterm review, as well as by activities included within the proposed project supporting improved coordination. The 2023 JFR has included a thorough consultative process with all relevant stakeholders. Additionally, to mitigate risks related to poor strategic coordination across the sector, the Bank will use its convening power to engage judicial stakeholders to ensure awareness of strategic priorities, including activities under the proposed project.

**88. Technical design (Moderate).** Technical residual risks are moderate. The project covers a range of complex and interlinked institutional and infrastructure strengthening activities which will require a broad range of skills to implement and close coordination across a variety of actors. While there is a long history of Bank engagement with the justice sector, past support has largely focused on infrastructure related issues, and the proposed project represents a new depth of engagement on critical and technically challenging cross-cutting institutional strengthening issues. The achievement of results linked to the strengthening of the legal aid system and digital archiving will require amendments to the legal and regulatory framework for their implementation, which if delayed, could impact the pace of implementation. Additionally, the modernization of ICT systems including the development of updates to the RMS and the digitalization of archives will require adequate technical capacity to develop technical specifications and manage complex procurement processes. To

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<sup>59</sup> Specifically, it recommended:

1. a competitive selection should be introduced also for deputy managers, not only for presidents of courts and prosecution offices;
2. high ranking prosecutors, including the General Prosecutor, as well as the Chief Prosecutors of the [National Anticorruption Directorate] DNA and the [Directorate for the Investigation of Organized Crime and Terrorism] DIICOT and their deputies should be appointed for longer periods and without the possibility of renewal;
3. the General Prosecutor should not be able to bypass the prosecutorial hierarchy when s/he finds prosecutorial measures unlawful or unfounded. Such a finding should be passed down through the hierarchy of prosecutors;
4. it should be explicitly provided by law that the judicial police do not report on their activity to the Minister of Interior."



support the mitigation of the associated risks, the project includes the creation of collaboration and coordination platforms aimed at bringing together the different involved stakeholders, which is expected to help strengthen buy-in for reforms and ensure that implementation progresses as planned. It also anticipates the provision of significant hands-on support from the Bank, which has substantial experience in the implementation of similar reforms across the region and the Romanian context. The importance of fulfilling its strategy under the NRRP, and reporting requirements for the EU under the Rule of Law reports are also expected to help incentivize the approval of the associated laws and their implementation. Additional risks stem from data availability issues which preclude the determination of baselines and final targets for two PDO indicators at design. Associated risks will be mitigated through the close tracking of progress in establishing the tools needed to collect the data, and early identification of potential challenges that could complicate their measurement.

89. **Institutional capacity for implementation and sustainability (Moderate).** Residual risks associated with institutional capacity are moderate. The project will be implemented by the MOJ through the DIEFP, which has a long history of successful World Bank-financed project implementation under the JRP, JSIP, and the ongoing PPA. While the DIEFP has proven itself as highly competent – most recently under JSIP – it remains understaffed and struggles to attract and retain qualified staff due to wage constraints. Loss of staff or further failure to fill positions would have a significant impact on the project. To mitigate this risk, a covenant requiring the Government to maintain the DIEFP at all times to a level of staffing and resourcing acceptable to the Bank, in alignment with the details in the POM, is included in the legal agreement.



VII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Romania

Strengthening Foundations for Improved Justice Service Delivery

Project Development Objectives(s)

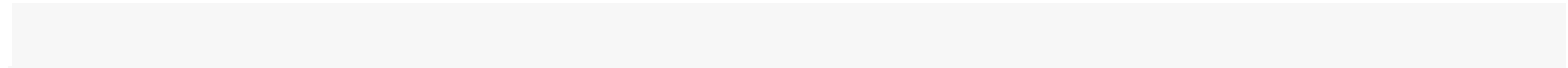
To improve access to and the resilience of selected justice services.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	Intermediate Targets						End Target	
			1	2	3	4	5	6		
<b>Improved access to justice services</b>										
Percentage of parties receiving legal aid services compared to the overall number of parties (including disaggregation by gender) (Text)		Currently available data are limited to the amount spent on legal aid by providers, and only cover instances where cases have reached the trial stage.		Baseline established based on information in the judicial reporting system (STATIS)					TBD based on baseline	TBD based on baseline
Percentage of claims made for selected justice services in FICs served by user-centric one-stop		Not known. FICs to be selected in year 1, baseline to be calculated at that	Baseline established following selection					TBD based on baseline	TBD based on baseline	TBD based on baseline



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
shops compared to total claims for those services (Text)		point	of FICs						
<b>Improved resilience of justice services</b>									
Percentage of the Bucharest Tribunal's archives which have been digitalized (Text)		Paper-based archiving system; scanning pilot underway in Sector 3.			30 percent of Bucharest tribunal's archives digitalized	40 percent of Bucharest tribunal's archives digitalized	60 percent of Bucharest tribunal's archives digitalized	80 percent of Bucharest tribunal's archives digitalized	100 percent of Bucharest tribunal's archives digitalized
Percentage of FICs implementing business continuity plans to respond to unexpected events (including climate change induced natural disasters) (Text)		0 percent			20 percent	50 percent	60 percent	80 percent	100 percent



**Intermediate Results Indicators by Components**

Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Component 1.Improving Access to Justice Services</b>									
Development and implementation of expanded framework for		Dated legal framework with limited scope and	Gap needs assessment with justice service	Development of draft adjustments to legal framework	Public consultations, including	Updated framework submitted to	Updated framework approved by	Roll-out of updated framework for legal aid across all	Roll-out of updated framework for legal aid across all courts



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
legal aid provision (Text)		vacuums in monitoring arrangements.	users and providers carried out	addressing relevant suggestions from users	vulnerable groups, on updated framework and any suggestions considered	Parliament	Parliament	courts	
Management tools for legal aid (Text)		Ad-hoc system under MOJ			Technical specifications for new RMS module ready based on updated legal aid framework	New RMS module, including capabilities for tracking demographic information (including gender) of legal aid recipients, developed	New RMS module, including capabilities for tracking demographic information (including gender) of legal aid recipients, tested	Legal aid managed by MOJ within new RMS module, with disaggregated data (including by gender) used to inform service delivery decisions.	Legal aid managed by MOJ within new RMS module, with disaggregated data (including by gender) used to inform service delivery decisions.
Development of a user-centric service delivery model for justice service provision (Text)		No model for user-centric service provision	Stocktaking of most frequent claims in 2 district courts and user process mapping	Model for user-centric service provision developed and simplification of administrative processes in 2 district courts completed	Inter-institutional arrangements for operationalization of one-stop shops in place,		Model operating in 1 district court		Model operating in 2 district courts
Opening of User-Centric One-Stop Shops (Text)		0.00					1 one-stop shop opened		1 new one-stop shop opened (bringing total operating to 2)
Design of consolidated Justice District in Bucharest (Text)		Prepared project-specific detailed urban plan (PUD)	Completion of required project-specific Feasibility		Permits obtained based on feasibility study		Elaboration of final (construction-ready) design	Final (construction-ready) design documents	Final (construction-ready) design documents



Indicator Name	PBC	Baseline	Intermediate Targets						End Target	
			1	2	3	4	5	6		
			Study					documents	completed	completed
Number of courts modernized (Text)		6.00	7.00	8.00	9.00	10.00	11.00	12.00		13 courts modernized (7 under the project)
<b>Component 2. Improving the Management of the Justice Sector's Resources</b>										
Development and approval of Digital Strategy for Justice Sector and its action plan (Text)		No consolidated digital strategy for the justice sector	Development of strategy and its action plan	Year 1 targets for strategy met	Year 2 targets for strategy met	Year 3 targets for strategy met	Review and updating of digital strategy; Year 4 targets met	Updated Year 5 targets for strategy met		Updated Year 6 targets for strategy met
Roll-out of digital archiving (Text)		Paper-based archiving system; scanning pilot underway in Sector 3.	Development of methodologies and processes for transition to digital archives	Digitalization of 30 percent of the Bucharest tribunal's courtrooms' archives started.	Digitalization of 40 percent of the Bucharest tribunal's courtrooms' archives underway.	Digitalization of 60 percent of the Bucharest tribunal's courtrooms' archives underway.	Digitalization of 80 percent of the Bucharest tribunal's courtrooms' archives underway.	Digitalization of 100 percent of the Bucharest tribunal's courtrooms' archives underway.		Digitalization of 100 percent of the Bucharest tribunal's courtrooms' archives completed.
Number of business continuity plans (Text)		No business continuity plans in place	Business continuity plans for overall justice sector developed and adopted	Business continuity plans developed and adopted for 20 percent of FICs	Business continuity plans developed and adopted for additional 30 percent of FICs	Business continuity plans developed and adopted for additional 10 percent of FICs	Business continuity plans developed and adopted for additional 20 percent of FICs	Business continuity plans developed and adopted for final 20 percent of FICs		Business continuity plans have been developed and adopted for all FICs
Issuance of memorandums of understanding on coordination by the Working Group for the Justice Sector Strategy (Text)		Working Group not operational		Working Group meeting twice a year, and has issued at least one MOU	Working Group meeting twice a year, and has issued at least one new MOU	Working Group meeting twice a year, and has issued at least one new MOU	Working Group meeting twice a year, and has issued at least one new MOU	Working Group meeting twice a year, and has issued at least one new MOU		Working Group meeting twice a year, and has issued at least one new MOU
<b>Component 3. Project Management</b>										



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
Percentage of the grievances submitted to the GRM established by the project that are addressed following the mechanism's procedures (Percentage)		0.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of parties receiving legal aid services compared to the overall number of parties (including disaggregation by gender)	This indicator measures the percent of parties (either claimants or defendants) to a claim requiring and receiving legal aid services out of the total number of parties to civil proceedings. Given that 2019 survey data from the WJP identified only 6% of people accessing government legal aid	Annual	STATIS, RMS	Review of system registry reports	MOJ/Courts





	services, ex ante, at least a doubling from the baseline is expected over the course of the project. Baseline data will come from the STATIS; subsequently, once operational, it is expected that information will be extracted from the RMS.				
Percentage of claims made for selected justice services in FICs served by user-centric one-stop shops compared to total claims for those services	Services within the selected FICs will be chosen based on them representing a significant share of the court’s transactions, and expected large impacts of service provision through a one-stop shop (e.g., services requiring inputs from multiple authorities, sensitivity of topics, etc.). Details will be specified in the POM.	Annual	Selected court reports	Review of court reports	MOJ/Selected FICs
Percentage of the Bucharest Tribunal’s archives which have been digitalized		Annual	Digital archive system	Review of archive system reports	Bucharest Tribunal
Percentage of FICs implementing business continuity plans to respond to unexpected events (including climate change induced natural disasters)	Implementation means measures defined in business continuity plans taken as planned.	Annual	Reports from FICs	Review of reports from FICs	FICs



**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Development and implementation of expanded framework for legal aid provision		Annual	Progress reports; draft regulatory framework	Review of progress reports; draft regulatory framework	MOJ
Management tools for legal aid		Annual	RMS system reports	Review of RMS system reports	MOJ
Development of a user-centric service delivery model for justice service provision	2 district courts to be selected outside of Bucharest	Annual	Progress reports	Review of progress reports	MOJ/Selected courts
Opening of User-Centric One-Stop Shops	User-centric One-stop shops opened outside of Bucharest	Bi-annual	Progress reports	Review of progress reports	MOJ/Selected courts
Design of consolidated Justice District in Bucharest	Covers judicial sector institutions currently located in 20+ locations around Bucharest	Annual	Progress reports	Review of progress reports	MOJ
Number of courts modernized	Modernized entails refurbishment and rehabilitation of courts' physical infrastructure.	Annual	Progress reports	Review of progress reports	MOJ
Development and approval of Digital Strategy for Justice Sector and its action		Annual	Progress reports; draft	Review of progress reports; draft strategy	MOJ



plan			strategy		
Roll-out of digital archiving	In the Bucharest Tribunal. Tracks initiation of the archive digitalization process.	Annual	Progress reports; system reports	Review of progress reports; system reports	Bucharest Tribunal
Number of business continuity plans		Annual	Reports from FICs	Review of reports from FICs	FICs
Issuance of memorandums of understanding on coordination by the Working Group for the Justice Sector Strategy	Refers to existing high level working group composed of key justice stakeholders.	Annual	MOUs	Review of MOUs	MOJ/Working Group
Percentage of the grievances submitted to the GRM established by the project that are addressed following the mechanism's procedures		Annual	GRM reports	Review of GRM reports	MOJ



## ANNEX 1: Implementation Arrangements and Support Plan

COUNTRY: Romania

### Strengthening Foundations for Improved Service Delivery Project

#### Project Institutional and Implementation Arrangements

- The project will be carried out over the course of seven years and the implementing agency is the MOJ.** The project will be managed through the DIEFP. The DIEFP has solid experience with implementation of World Bank financed projects, including the JRP and JSIP, and its familiarity with Bank processes and working modalities will be important for ensuring the project's smooth implementation. The DIEFP will be responsible for day-to-day project implementation, including the procurement of goods, works, non-consultants' and consultants' services, the justification of fund disbursement and financial management, audit, and control, monitoring and reporting. DIEFP will coordinate closely with beneficiaries including the Bucharest Tribunal and selected courts. The DIEFP will also ensure coordination with the COMS and with the MOF, to ensure adequate budget allocations are assigned in line with the planned implementation schedule. The POM will establish the guidelines for project implementation and overall coordination.
- In the past, the DIEFP has faced challenges with understaffing due to difficulties in attracting and retaining qualified staff linked to wage constraints and also limited availability of certain specializations in the Romanian market, but these issues are not expected to impact implementation of the proposed project.** Past issues with understaffing have not impacted the DIEFP's ability to implement previous Bank projects satisfactorily, with the MOJ having complemented the personnel of the implementing department with supplemental contractual hirings in selected specialties. The DIEFP's current composition per the JSIP POM includes: a Project Manager, Deputy Project Manager, Technical Manager, ICT Manager, Financial Manager, Procurement Manager, two Procurement Specialists, a Procurement Assistant, two Technical Specialists, two ICT specialists, a Legal Advisor, a Judicial System Specialist, two Financial Specialists, Social and Stakeholder Engagement Specialist, and two drivers. Two qualified specialists covering Environmental and Social respectively have been brought onboard. An additional Occupational Health and Safety Specialist will be required, considering that the project will involve multiple civil works. Other experts, such as in community engagement, may be hired as needed to support the project's inclusion aspects. Moreover, an additional Procurement Assistant, a Financial Specialist, Legal Specialists, and an Archive Specialist will be required.
- A POM detailing responsibilities, accountabilities, processes, and procedures governing the project will be adopted in a manner acceptable to the Bank before loan effectiveness.** It will include, *inter alia*: (i) roles and responsibilities of relevant stakeholders in terms of support to Project implementation and monitoring of results, (ii) Project monitoring and evaluation; (iii) format of financial statements, chart of accounts, and interim unaudited financial reports; (iv) performance indicators for monitoring and evaluation purposes; (v) relevant environmental and social risk management requirements and processes; (vi) the detailed arrangements for the Project's grievance redress mechanism; and (vii) the list of selected courts proposed for design, building, and rehabilitation in accordance with the Procurement Plan.



## Financial Management

4. **Risk Analysis.** An assessment of the financial management (FM) arrangements of the project has been carried out in terms of staffing, budgeting, accounting, internal controls, flow of funds, financial reporting and external audit. The assessment concluded that the implementing entity has adequate FM arrangements that should be able to provide, with reasonable assurance, accurate and timely information on the status of the funds, as required by the World Bank. The project will rely significantly on the country's public financial management system (including budget formulation and execution, accounting, and Treasury). The FM arrangements of the project will be the responsibility of the MOJ (through DIEFP) and MOF that will work closely to manage loan disbursements. To complement the procedures in place, DIEFP will present the FM arrangements instituted for the project in a dedicated section of the POM by Loan effectiveness. The FM residual risk is assessed as moderate. There is a substantial systemic risk of insufficient and/or untimely budgetary allocations for pre-financing project activities from the State Budget. This will be mitigated through timely elaboration of realistic budgetary allocations aligned to the procurement and project implementation plans and close coordination among key stakeholders.

5. **Staffing.** The project will be implemented by DIEFP, which has substantial experience with the Bank fiduciary procedures. The FM performance of the ongoing JSIP project is satisfactory. The FM function is represented by a team comprising two financial specialists. Both possess appropriate experience and expertise in accounting and financial management and are familiar with Bank procedures and requirements in this area.

6. **Funds Flow and Disbursement.** The project will use the pre-financing mechanism that is applicable to Bank-financed operations in Romania. Accordingly, MOJ (as implementing entity) will use pre-financing from State Budget funds and then MOF (as Borrower) will disburse funds from the loan using the reimbursement method for project eligible payments. The Treasury will make monthly budgetary openings as requested, and the project will receive its allocations in title 65, as per the existing budgetary structure and classification. The loan proceeds disbursed will be transferred to the MOF account opened with the National Bank of Romania and will be used according to the Romanian legislation on public debt (Emergency Ordinance 64/2007 as subsequently amended). Supporting documentation submitted by MOF to the Bank for disbursements will include Statement of Expenditures (SOE). No Designated Account will be used. The Loan will finance in full works, goods, non-consulting services, consulting services (including project audits), training, and incremental operating costs for the project.

7. **Planning and Budgeting.** The DIEFP has adequate planning and budgeting capacity in terms of availability of information and monitoring. The project budget will be prepared based on the procurement and project implementation plans and will be subject to the MOJ's regular budgeting process. Project budgets will follow Government procedures for approval, budget execution reporting and monitoring. Annual budgets will be entered into the commitments and reporting system and used for periodic comparison with actual results as part of the interim reporting. Budget execution data will be compiled and made available by month and quarter. Given the characteristics of the pre-financing mechanism, as mentioned above, the risk pertaining to insufficient or untimely budgetary allocations is substantial.

8. **Accounting policies and systems.** The project will use the existing Romanian budgetary accounting policies, procedures, and systems. Project accounting and budgetary transactions/records will be maintained on accrual basis in the MOJ's systems, as per the prescribed chart of accounts, and denominated in Romanian Lei (RON). The project will use DIEFP accounting procedures and internal control framework which are assessed as reliable. Project records will be kept in the existing systems used by the MOJ, namely in the national commitment control and reporting software (Forexbug)



and the integrated RMS application. DIEFP will be responsible for keeping detailed project accounting records, including distinct records for each project it manages. Adequate software procedures are in place for the timely archiving of the monthly files and regular information backup.

9. **Internal Controls.** The project will rely on the existing public sector internal control framework. This framework includes the use of prescribed templates and checklists to ensure that required procedures are performed and data established during the processing of the invoices, including checking mathematical accuracy of the invoice, confirming legal conformity of the invoice, matching the invoice to the relevant contract, matching invoice to goods received notes or other evidence of completion of work, account numbers, and so forth. MOJ has an internal audit unit, rather understaffed and unfamiliar with the World Bank-financed operations. As it continues to develop, increased reliance will be placed on its activities to also cover internal audit aspects for the project. JSIP's project financial manual will serve as the basis for the POM that will be updated with any specifics of the new project, including the CERC, by Loan effectiveness.

10. **Reporting and Monitoring.** Quarterly cash-based Interim un-audited Financial Reports (IFR) in the Loan currency will be used for monitoring and supervision of the project. The reports will present the funds received as State Budget pre-financing and used for project expenditures, based on a format agreed during preparation and attached to the minutes of negotiations and POM. The IFRs will be due for submission in 45 days from each quarter end. The DIEFP's compliance with IFRs submission and quality under the ongoing project has been satisfactory.

11. **External Audit.** Project financial statements will be audited annually by independent auditors acceptable to the Bank. The MOJ is in compliance with the audit requirements under JSIP. DIEFP's auditing arrangements and previous opinions of the project audits (unmodified) have been satisfactory to the Bank. The terms of reference for the audit were agreed during preparation and attached to the minutes of negotiations and POM. The audited project financial statements together with the auditor's opinion thereon will be provided to the Bank within six months after the year end. The cost of the project audits will be financed from the loan. Audited financial statements and audit reports will be publicly disclosed in a manner acceptable to the Bank within a month after their formal acceptance by the World Bank.

12. The country's Supreme Audit Institution (Romanian Court of Accounts) is not yet fully familiar with the Bank's procurement and FM guidelines. It is planned that its capacity in this area and others such as financial and performance auditing, quality assurance, strategic planning and communication will be further strengthened. The Court will continue to carry out ad-hoc and regular audits at the MOJ under its mandate. The Bank will be informed about any issues raised by the Court related to the project and will review and assess if these will require follow-up actions that should be addressed by the counterparts to strengthen the project FM arrangements.

## Procurement

13. **Project Procurement Strategy for Development (PPSD).** Based on the project requirements, operational context, economic aspects, technical solutions, and market analysis, a PPSD has been developed for the entire scope of the project. The PPSD identifies the following major types of activities: (a) civil works; (b) consulting services; (c) goods and (d) non-consulting services. Extensive market analysis has been carried out for the different packages of procurement and, based on the findings, decisions on packages have been finalized for works, goods and non-consulting services to ensure adequate participation of bidders. Consultancy contracts are also framed based on market research and packaging in terms of scope of services.



14. **Major procurement categories under the project:** The total cost of the project is EUR 100 million of which EUR 98.8 million will be procurement. Under the project, works will total approximately EUR 36.8 million, followed by goods, IT and non-consulting services in the amount of approximately EUR 34 million and consultancy services in the amount of approximately EUR 29 million. Major civil works contracts are those related to the modernization of selected courts and construction, refurbishment, and operationalization of two new justice services centers where the cost estimate per contract varies between EUR 2 million and EUR 6 million with the largest package being estimated at EUR 12 million. All these works will be procured using the national market approach using the Request for Bids method. Consulting services are of a different nature and complexity. These include: (i) services related to civil works (design, supervision); (ii) gap assessment of legal aid services in Romania and development of a new framework for the provision of legal aid services; (iii) development and rolling out of a user-centric model for integrated service delivery; quality control of technical and architectural designs; (iv) assessment of court building infrastructure; (v) development of digital strategy and guidelines; (vi) development of business continuity plans for the overall justice sector; and others. The value of these contracts varies between EUR 1 million and EUR 3 million. The largest consulting services contract (currently estimated at EUR 10 million) provides for the detailed design for the Justice District. All these contracts will follow the international market approach and Quality and Cost Based Selection method will be applied. Several contracts will apply the Least Cost selection method given their standard nature. Major contracts for supply of goods, IT systems and non-consulting services include: (i) LAN rehabilitation; (ii) reengineering of resource management software; (iii) hardware and software for digital archive; (iv) development of an assessment and action plan for the management of archives in the justice sector and archiving. The value of these contracts varies between EUR 1 million and EUR 14 million (for the archiving). Most of the contracts will follow the international market approach. There are several contracts which will follow the national market approach given their comparatively smaller value and availability of a strong local market in the respective area (hardware and software). PPSD confirmed that there are adequate number of national and international bidders for all the above activities. Although market research finds a significant number of potential consultants/suppliers within Romania for the types of services needed, the participation of reputable and qualified international consultants will be beneficial to Project implementation. Therefore, the World Bank recommends that the Project approach international markets for larger-value contracts and for those most critical for the Project. For procurement following international market approach, the Bank's Standard Procurement Documents should be used.

15. **National Procurement Procedures.** In accordance with paragraphs 5.3 – 5.6 of Procurement Regulations, when approaching the national market, the country's own procurement procedures may be used, if agreed under the PPSD. Public procurement in Romania is governed by four laws which transpose the 2014 EU Directives. The legislative package was adopted in 2016 and is supplemented by implementing rules adopted by Government decision. Instructions are issued by the National Agency for Public Procurement, which holds the regulatory function, whenever there is need to clarify the applicability of the legislative provisions and a web-based guide was developed as a primary source of guidance and in-depth practical information for the contracting authorities with a clear focus on the procurement planning. An improved e-Procurement system (SEAP) is in place since April 2018 with 99 percent of the procurement volume being managed through the system. The National Office for Centralized Procurement was set up in 2018 with the scope to run centralized procurement for selected categories of products and services on behalf of other public authorities. In 2020, the Bank assessed Romania's public procurement system and the impact of the national public procurement strategy adopted in 2015. The key recommendations were: i) to ensure the strategic oversight of the public procurement system and the adoption of decisions informed by the latest analysis; ii) to ensure a stable and predictable legislative framework and proper public consultations whenever changes are needed; iii) to expand the scope and scale of centralized procurement. The DIEFP does not have experience or knowledge of public procurement procedures and use of SEAP. Several options have been discussed during project preparation including the option of using Bank's Standard Procurement Documents



(SPDs) for such contracts. The viability of each option has been analyzed both from national system's perspective and from DIEFP's capacity perspective and it has been agreed that the DIEFP will use the Bank Standard Procurement Documents or other documents agreed with the Bank for procurement following national market approach. However, if requested and agreed, national procurement procedures may be used for contracts following national market approach.

16. **Procurement under Contingent Emergency Response Component (CERC).** It was agreed that, once CERC is triggered, DIEFP will revise the PPSD to include a section applicable to the CERC. The CERC-PPSD will focus mainly on complex contracts and new or innovative procurement, rather than on smaller, routine contracts. The strategy will describe, among other things, how procurement opportunities and risks will be managed in emergency circumstances and how suppliers and contractors will be motivated to bid and incentivized to perform. Procurement arrangements under the CERC will be streamlined. The Bank's oversight and due diligence for procurement will be done through augmented implementation support with close monitoring, increased procurement-related post review, and/or third-party procurement reviews. Given that the CERC is contingent and event-driven, no Procurement Plan for the CERC can be prepared ex-ante.

17. **Systematic Tracking of Exchanges in Procurement (STEP):** STEP will be used under the project. All procurement transactions for post and prior review contracts under the project must be recorded in/processed through the World Bank's planning and tracking tool - STEP. This ensures that comprehensive information on procurement and on the implementation of all contracts for goods, works, non-consulting services, and consulting services awarded under the project are automatically available. This tool will be used to manage the exchange of information (such as bidding documents, bid evaluation reports, no-objections, and other procurement documents) between the Implementing Agency/DIEFP and the Bank.

18. **General Procurement Notice (GPN).** This will be prepared by DIEFP and submitted to the Bank after negotiations. The Bank will arrange for its publication in United Nations Development Business online and on the World Bank's external website. The GPN will contain information concerning the Borrower; amount and purpose of the financing; scope of procurement reflecting the procurement plan; the Borrower's contact point; if available, the address of a free -access website where the subsequent Specific Procurement Notices will be posted and, if known, an indication of the scheduled dates for the specific procurement opportunities.

19. **Procurement Plan (PP):** The DIEFP has developed a PP for the entire scope of the project, and which is consistent with the Project implementation Plan. The PP provides information on procurement packages, selection methods, procurement approach and evaluation methods to be adopted for each contract to be financed under the project. Any updates to the PP will be submitted to the World Bank for review and approval. The detailed PP will be prepared in the STEP and will be published on the World Bank website.

20. **Complaint handling mechanism.** The project is required to ensure recording of procurement-related complaints in STEP. Both the World Bank and Implementing Agency/DIEFP will use STEP to track complaints. The DIEFP will be responsible for performing the following actions in STEP: (a) promptly record all complaints relating to procurement process; (b) for procurement process complaints received on contracts subject to the World Bank's prior review, submit the Borrower's proposed response to each complaint before issuing it to the complainant(s); (c) record the Borrower's response to the procurement process complaints upon issuance to the complainant(s); and (d) promptly register requests for debriefings and update STEP with the record of the debriefings to interested parties.





21. **Procurement documentation:** All documentation with respect to each procurement will be retained by the DIEFP according to the requirements of the Legal Agreement. DIEFP will furnish such documentation to the World Bank upon request for examination by the World Bank or by its consultants/auditors. Documents with respect to procurement subject to post review will be furnished to the World Bank upon request.

22. **Procurement prior review thresholds.** The procurement prior review thresholds will be set by the World Bank based on the Project’s procurement risk level. All contracts at or above the set thresholds are subject to international advertising and the use of the World Bank’s SPDs. Use of certain procurement approaches—specifically best and final offer, procurement processes involving contract negotiations, competitive dialogue, and sustainable procurement—are not foreseen under the Project but these approaches will be subject to the World Bank’s procurement prior review, irrespective of the contract value, if the decision is taken during Project implementation to apply them. The applicable thresholds are defined in the table below and will be specified in the textual part of the PP.

Type of Procurement	Method Threshold (US\$, millions)	Prior Review Threshold
Works (including Turnkey, Supply & Installation of Plant and equipment, and PPP)	Open International ≥ 20 Open National < 20  Request for Quotation ≤ 0.2	All contracts more than US\$15 million equivalent
Goods, Information technology and Non-Consulting Services	Open International ≥ 2 Open National < 2 Request for Quotation ≤ 0.1	All contracts more than US\$4 million equivalent
Consulting firms	Selection Based on Consultants’ Qualifications < 0.3 Least Cost Selection and Fixed Budget Selection - in justified cases Quality- and Cost-based Selection and Quality-based Selection - in all other packages National market approach (As per paragraph 7.25 of the Procurement Regulations) < 0.5	All contracts more than US\$2 million equivalent
Consulting - individuals	No threshold	All contracts more than US\$400,000 equivalent



Direct selection	No threshold	With prior agreement based on justification: For goods/works/non-consulting services: As per paragraphs 6.8–6.10 of the Procurement Regulations. For consultants: As per paragraphs 7.13–7.15 of the Procurement Regulations.
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Note: The above thresholds are for the initial 18-month implementation period. Based on the procurement performance of the Project, these thresholds may be subsequently modified.

23. **Procurement oversight.** The World Bank will exercise its procurement oversight through a risk-based approach comprising prior and post review and independent procurement reviews, as appropriate. Procurement supervision visits will be carried out at least twice per year with a special procurement supervision for post review conducted at least once per year. The purpose of these reviews will be to determine whether the DIEFP complies with the requirements of the Legal Agreements. The post review will be conducted with an initial sampling rate of 10 percent of contracts, though this could be adjusted periodically during Project implementation based on the Project’s performance.

**Environmental and Social (including safeguards)**

24. The rating for environmental and social risk is moderate. The social risk rating is associated with project activities related to potential exclusion in benefits for marginalized segments of the population in regard to accessing improved justice services and legal aid and those related to temporary impacts from civil works.

25. Civil works under the project will consist of building and rehabilitation works at selected courthouses and tribunals in underserved regions and may include completion of the Corabia and Calafat courts which were originally planned to be financed under JSIP. There will also be the design, construction, refurbishment, furnishing, and operationalization of at least two new user-centric justice service centers (one-stop shops) for selected priority services in selected courts outside of Bucharest. At this stage, specific project locations have not been identified apart from Corabia and Calafat courts which were originally under JSIP and could be included in the project. Each site already has an ESMP prepared under JSIP. In this regard, the ESMPs for Corabia and Calafat courts were prepared before the introduction of ESF and, should they be included under this project, would need to be updated to reflect the more robust ESF requirements. Corabia involves works to rehabilitate and consolidate a building designated as historical monument, for which appropriate risks and mitigation measures have been identified and outlined in the existing ESMPs prepared for these investments under JSIP. A Cultural Heritage Plan will be developed for this site. A chance finds procedure will be incorporated in the ESMF. Overall, no land acquisition is expected for these works. Associated risks are predictable, temporary and can be mitigated. These risks include i) adverse impacts on community health and safety such as dust and noise pollution, disturbance on existing traffic flows and safety, ii) poor occupational health and safety practice, iii) impacts arising from the temporary relocation of locations of the justices’ services and staff during execution of works. Community health and safety measure will be required to ensure minimal disruption and safety during the execute of the works. Measures will also be put in places to ensure safe waste management, handling of hazardous materials such as asbestos, if encountered. Labor related risk



which are typically associated with a large and diverse workforce, child labor and labor influx are minimal, although there is expectation that foreign workers may be present during the works.

26. A key element of the government's medium-term plan to improve the delivery of justice services is centered upon facilitating access through the development and rolling out of a user-centric justice service delivery model. At the national level, the proposed project will implement two user-centric justice service centers (one-stop shops) in jurisdictions to be determined during project implementation. In Bucharest, the MOJ is planning to consolidate individual justice institutions in a unified complex (the Justice District). The support provided under the ongoing Justice District PPA will be complemented by activities under subcomponent 1.2 (f) of the proposed project.

27. The GBV rating is moderate as assessed by the Sexual Exploitation, Abuse, and Harassment screening tool. This may reflect the influx of forcibly displaced persons from Ukraine, as of February 2023, 3.6 million had arrived at the Romanian border, with 111,787 remaining in the country; the majority of which are women and minors. This is a vulnerable group with a high risk of gender-based violence, exploitation, and abuse. This situation may constrain accessibility, availability, and effectiveness of GBV services and may increase demand for related justice services. This group is also targeted by this project's activities. GBV prevention and response measures will be included in the E&S instruments to mitigate risks related to sexual exploitation, abuse, and harassment, both in relation to justice services' access and physical infrastructure upgrades.

28. The DIEFP has a long history of successful project implementation under the JRP, JSIP, and the Justice District PPA, including the application of safeguard policies of the World Bank. While the DIEFP has proven itself as highly competent – most recently under JSIP – it remains understaffed and faces challenges in attracting and retaining qualified staff due to wage constraints. Loss of staff or further failure to fill positions would have a significant impact on the project given DIEFP's role in project implementation. To mitigate this risk, a Loan Covenant requiring the Government to maintain the DIEFP to a level of staffing and resourcing acceptable to the Bank at all times is included in the loan agreement. This project will be the first operation in which DIEFP will apply the ESF. There will be a need to hire or appoint two full time qualified specialists covering Environmental and Social as well as a full-time communications/community engagement. An additional Occupational Health and Safety (OHS) Specialist will be required, considering that the project will involve multiple civil works. However, this OHS specialist may be hired or appointed on a full-time basis or as a consultant to be engaged as needed. Other experts such as expertise for community engagement may be hired or appointed as needed to support the project's inclusion aspects. All specialists to be hired or appointed, will be required to participate in ESF trainings and periodic technical meetings to be conducted by the Bank's Environmental and Social Specialists to enhance their capacity, understanding and application of the ESSs.

## Implementation Support Plan

### *Strategy and Approach for Implementation Support*

29. The implementation strategy for the Project was developed based on the risks and mitigation measures related to the project and targets the provision of flexible and efficient implementation support to the Borrower. The implementation support strategy focuses primarily on the implementation of risk mitigation measures as follows:

- (a) **Inter-institutional coordination.** To ensure effective coordination between the involved entities, the Bank will carry out a close supervision to support planning and results monitoring. Bank implementation



support will include but will not be limited to semiannual implementation support missions. Additionally, direct communication for monitoring and following-up upon each of the areas of activities will be maintained with the involved entities.

- (b) **Technical support.** The Bank technical and fiduciary teams will have continuous dialogue with the implementing entities and the DIEFP to support implementation and the use of performance information, including progress report mechanisms. Implementation support missions will include public sector and justice specialists as well as architects and civil engineers to help guide the DIEFP with project implementation and policy dialogue.
- (c) **Procurement.** A Bank procurement specialist will provide timely support and carry out ongoing supervision. The specialist will participate in implementation support missions and visits, respond to just-in-time requests, and provide ongoing guidance to the implementing unit based on its procurement activities. The World Bank will also provide any additional capacity building on procurement procedures to facilitate the conduct of procurement activities.
- (d) **Financial Management.** During Project implementation, the Bank will supervise the Project’s Financial Management arrangements in two main ways: (a) review the project’s annual audited financial statements; and (b) during the World Bank’s implementation support missions, review the Project’s FM and disbursement arrangements to ensure compliance with the World Bank’s requirements. An FM specialist will assist in the supervision process as needed.
- (e) **Operations.** During Project implementation, the World Bank will provide implementation support to the team members of the DIEFP to prepare, update, and use the project management tools, including the POM, procurement plan, and disbursement projections. The task team will track the progress of the Project’s indicators, monitor the implementation progress of Project components according to procurement and disbursement plans.
- (f) **Monitoring and evaluation.** The Bank team will provide guidance to the Ministry of Justice on its approach for collecting and analyzing the information needed to monitor the Project results framework.
- (g) **Environmental and social.** During implementation, environmental and social specialists within the World Bank task team will monitor the SEP, LMP, Environmental and Social Commitment Plan (ECSP), ESMF and ESMPs and validate environmental and social risks during implementation.

**Implementation Support Plan and Resource Requirements**

Time	Focus	Skills Needed	Resource Estimate	Partner Role
First twelve months	Task management	Task team leader/ Public sector specialist	20 Staff Weeks (SWs)	



	Procurement	Procurement specialist	6 SWs	Training and Preparation
	FM	FM specialist	6 SWs	Training and Preparation
	Operations support	Operations officer	2 SWs	Revision of documentation
	Technical support	Justice specialist / Public sector specialist/Change Management Specialist/Civil engineer/Architect/Archives specialist	15 SWs	Technical support
	ICT support	ICT specialist	4 SWs	Technical support
	ESF Support	Environmental/Social Specialist	2 SWs	Training and Monitoring of ESF documents
12-84 months	Task management	Task team leader/ Public sector specialist	120 SWs	Task Leadership
	Procurement	Procurement specialist	24 SWs	Training and Supervision
	FM	FM specialist	24 SWs	Training and Supervision
	Operations support	Operations officer	6 SWs	Revision of documentation
	Technical support	Justice specialist / Public sector specialist/Change Management Specialist/Civil engineer/Architect/Archives specialist	30 SWs	Technical support
	ICT support	ICT specialist	22 SWs	Technical support
	ESF Support	Environmental/Social Specialist	12 SW	Monitoring of ESF documents; validation of Environmental and Social Risks at midterm



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Other

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Skills Mix Required

Skills Needed	Number of Staff Weeks	Number of Trips	Comments
Task Team Leader (Public Sector Specialist)	140	14	
Procurement Specialist	30	14	
Financial Management Specialist	30	14	
Operations Officer	8	2	
Justice specialist / Public sector specialist/Change Management Specialist/Archives specialist/Justice Infrastructure specialist	45	16	
ICT Specialist	26	14	
Environmental/Social Specialist	14	7	