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# Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 08-Aug-2016 | Report No: PIDISDSA20184



**BASIC INFORMATION**

**A. Basic Project Data**

Country Romania	Project ID P160751	Project Name Justice Services Improvement Project	Parent Project ID (if any)
Region EUROPE AND CENTRAL ASIA	Estimated Appraisal Date 03-Oct-2016	Estimated Board Date 31-Jan-2017	Practice Area (Lead) Governance
Lending Instrument Investment Project Financing	Borrower(s) Ministry of Public Finance	Implementing Agency Ministry of Justice	

Proposed Development Objective(s)

To improve the efficiency and accessibility of targeted justice institutions.

Components

Improving Operations of Courts and Institutions under MOJ Authority  
 Enhancing National Trade Registry Office Performance  
 Improving Prosecution Operations  
 Project Management

**Financing (in USD Million)**

Financing Source	Amount
Borrower	5.66
International Bank for Reconstruction and Development	67.95
<b>Total Project Cost</b>	<b>73.61</b>

Environmental Assessment Category

B - Partial Assessment

Decision

Track II-The review did authorize the preparation to continue

**B. Introduction and Context**



## Country Context

1. Over the last twenty-five years, Romania has made significant progress in developing its institutions for a market economy. Economic performance has been strong with annual real growth averaging 6.5 percent between 2003 and 2008. The 2008 crisis depressed growth, demand and investment and forced the Government to take fiscal austerity measures. The economy contracted by 6.5 percent in real terms during 2009-2011 but Romania has since recovered and is now the fastest growing economy in the EU with a Q2 2016 growth rate of 6 percent.
2. Growth has been shared with the bottom 40 percent, with the average income of the lowest income households growing by 6.9 percent between 2000 and 2013 as opposed to 4.8 percent for the general population. Nonetheless, Romania is the second poorest country in the EU with one of the highest emigration rates. Large pockets of poverty and inequality remain. Romania has the highest proportion of rural population in the EU at 45 percent, the highest incidence of rural poverty at over 70 percent and one of the largest gaps in living and social standards between rural and urban areas. Children, young people and Roma continue to face higher risks of poverty than others. The child poverty rate is more than 30 percent nationwide and 50 percent in rural areas. There is a strong ethnic dimension to poverty and social exclusion. While the incidence of poverty in Romania is 22 percent, the incidence for Roma residing in marginalized communities is almost four times higher and three times higher than their immediate non-Roma neighbors. This gap in living standards between Roma and non-Roma neighbors in the same marginalized communities is mirrored in similar gaps on human development and social inclusion outcomes.
3. European Union (EU) accession, achieved in 2007, has been the driving force behind structural reforms. Romania has access to significant EU funding, amounting to EUR 36 billion for the period 2014-2020, to support reforms and investments in job creation, innovation, environmental management and social inclusion. Initially, the absorption rate of EU funds was the lowest in the EU but this has improved markedly since 2012, up to 75 percent by mid-2016. Absorption rates have been lowest for agricultural and transport programs, while absorption rates for governance and public administration programs are significantly higher at over 98 percent. The Romanian authorities are conscious of the need to improve programing and effective implementation of EU resources and have secured the Bank's assistance in this area to bring in best practices from other member states.
4. Access to and the quality of services remains uneven across Romania, with Bucharest and other larger cities far better served than the rural areas. Government is increasingly looking to deliver services at scale and find solutions that harness information communications technology (ICT), while also ensuring adequate physical services. Internet penetration has grown fast from 39 percent in 2010 to 58 percent in 2015.

## Sectoral and Institutional Context

5. At the time of EU accession in 2007, the European Commission (EC) established a Cooperation and Verification Mechanism (CVM) to monitor progress in strengthening the country's judicial system. Romania overhauled the legislative framework for the justice sector to guide the reforms, adopting a new Civil Code, Civil Procedure Code, Criminal Code, Criminal Procedure Code and Insolvency Code. The *Romania Judicial Functional Review 2012*, conducted by the World Bank, provided an assessment of judicial system performance, with recommendations for alignment with EU benchmarks. Many of these recommendations have been adopted by the Government into its strategy and action plan. The CVM Report of January 2016,



commended Romania's progress in implementing reforms, stating that:<sup>1</sup> *'The Romanian judicial system as a whole has continued to demonstrate professionalism, including a capacity to adapt to significant changes in the civil and criminal codes, efforts to unify jurisprudence and a willingness to defend the independence of the judiciary. The track record of the key judicial and integrity institutions in addressing high-level corruption has remained impressive. This continued trend is a sign that Romania is developing sustainability in progressing towards the CVM objectives'*. In February 2016, Commissioner Juncker noted that, if Romania maintains the same pace of implementation, the CVM may come to an end within this Commission's term (by 2019).<sup>2</sup>

6. Justice system performance has improved since EU accession and is generally on par with EU averages. According to the EU Justice Scoreboard 2016, Romania has the highest clearance rate (at 120 percent) in the EU and the time needed to resolve civil, commercial and administrative cases is shorter than the EU average. The percentage of firms reporting that the courts are not a problem for business operations in the Business Environment and Enterprise Performance Survey (BEEPS) has jumped from 28 percent in 2008 to 73 percent in 2013. The percentage of firms reporting that bribery is frequent in dealing with the courts has dropped from 14 percent in 2008 to 1 percent in 2013 and is now better than ECA and EU11 averages. The judiciary has a track record in tackling corruption, with a significant number of prosecutions and convictions, including in high-profile cases.

7. Despite generally good performance, the judicial system faces a number of challenges. Capital investment in the sector has traditionally been inadequate. This undermines efficiency and hinders access to the judiciary for both delivering services to citizens and businesses. Across Romania, but particularly in the rural and poorer areas, judicial infrastructure is in very poor condition. Many court buildings do not meet EU access and service standards. The sector is highly automated, relying on ICT applications for most administrative and case management functions. However, hardware and software are obsolete, having been purchased more than ten years ago, before EU accession. The outdated ICT environment causes frequent business disruptions, including system failures, outages and delays. Workstations are unable to run the case management systems, document management, audio recording systems and basic security and anti-virus systems. Evolving EU standards require increasing levels of automation and online interaction with citizens and businesses which the current ICT environment is unable to support. This leaves Romania backsliding in its EU compliance. Without investment in ICT across the sector, service disruptions jeopardize continuity of core functions and the sector will be unable to implement the upgrades needed to improve service delivery to citizens and businesses and meet EU standards.

8. Courts have not kept pace with passage of new laws and amendments to existing laws. Court users perceive adjudication by courts to be inconsistent. This has undermined legal certainty. Potential users are deterred by their limited understanding of legal rights and obligations, lack of familiarity with ever-changing laws and lack of readily accessible information on the justice system. The sector needs to investment in raising greater awareness of new laws and reforms among practitioners (judges, prosecutors, and attorneys) as well as among users and potential users (citizens and businesses).

9. According to the European Commission for the Efficiency of Justice (CEPEJ), the legal aid budget is among the lowest in the EU at less than 1 EUR per inhabitant and provides inadequate access to basic legal information, particularly for vulnerable groups. Services for victims of crime and juvenile offenders are limited, ad-hoc and do not align with relevant EU standards.

<sup>1</sup> [http://ec.europa.eu/cvm/docs/com\\_2016\\_41\\_en.pdf](http://ec.europa.eu/cvm/docs/com_2016_41_en.pdf)

<sup>2</sup> See for example, <http://www.agerpres.ro/english/2016/02/15/ec-president-juncker-sure-cvm-on-romania-will-end-during-his-tenure-19-37-00>



10. Justice sector institutions have engaged with communities and civil society organizations (CSOs). Vulnerable groups place the least trust in the justice system to be responsive to their needs. Citizens of Roma origin fear discrimination by police and, to a lesser degree, officials of other justice institutions. This, together with perceptions of ineffectiveness of the justice institutions in providing timely and effective solutions of disputes, discourages some citizens from using the judicial system to exercise and protect their rights.

### C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

To improve the efficiency and accessibility of targeted justice institutions.

Key Results

11. JSIP will achieve the following four results:

- a. *Improving accessibility in courts:* Facilities at select court sites will meet EU minimum standards for accessibility. Results data will be disaggregated by court site, and by type of standards (e.g. facilities for victims of crime, facilities for juveniles, disabled access);
- b. *Improving efficiency in courts, prosecutor offices and the NTRO:* A more reliable ICT environment will enable courts, prosecutor offices and the NTRO to perform core functions without disruption. The improved ICT environment will also be capable of supporting upgrades to the integrated case management systems. Results data will be measured by ICT technical reports using national systems;
- c. *Improving access to NTRO services:* NTRO users will be able to access key business information online 24/7 through a web portal, rather than travelling in person to make data
- d. *Improving efficiency of NTRO services:* NTRO users will experience a faster response time in accessing business information. Results data will be measured by comparing the difference between the current 5-day response time for in-person service with the online access to information via the NTRO portal.

### D. Project Description

#### Component 1: Improving Operations of Courts and Institutions under MOJ Authority

12. Based on the needs identified by the *Strategy for the Development of the Judiciary and the Action Plan (2015-2020)*, this component will include: investments in ICT across the judiciary to maintain and enhance core functions of the courts; courthouse rehabilitation and construction to improve the system's ability to deliver services, especially in poor and underserved regions of Romania; and community awareness activities to increase responsiveness of the courts to the needs of local communities, especially for vulnerable groups. The component will also support preparatory work for investments aligned with the Action Plan, such as design and feasibility studies. This will develop a pipeline of investments in courts and other institutions under MOJ authority that can be used to facilitate mobilization of funding from the State budget and donors.

13. ICT investments will improve the efficiency of operations across the court network. In the short term, WAN and LAN infrastructure will enable fast and secure electronic exchange of information within courts and



between courts in a complex. This will also enable audio recording software financed under the JRP to operate at all workstations. Courts will gradually transition from paper to electronic formats, as more scanning equipment will be available allowing expansion of e-filing pilots. Free Wi-Fi may be offered to lawyers and parties in several courthouses, saving time for court users and improving the user experience at the courthouse. Investments in ICT equipment, mainly standard hardware (desktops, printers, scanners, servers) and software (document management, archiving, legal templates, Anti-Virus, audio recording) will replace obsolete equipment that was purchased in 2006. Reliable hardware and software will reduce security breaches, system failures and frequent outages across the country, save time and reduce frustration among judges and court staff, enabling them to focus on core functions. Related ICT training will also be provided to users across the court network, which will improve skills and productivity in the workplace. In the medium term, these ICT investments will support system upgrades financed through technical assistance under POCA. The extensive POCA-financed upgrades will include the re-engineering of the integrated case management system (ECRIS), the availability of audio/visual recordings, large-scale e-filing, alternative dispute resolution, case management of the asset recovery office, and tools for the integration of the EU's e-justice portal and cooperation with EU member states.

14. Investments in judicial infrastructure will improve court operations at first instance courts in various locations across Romania, in an effort to improve the delivery of services to poor and underserved populations. During project preparation, the MOJ identified priority court infrastructure based on the following selection criteria: court caseloads; the condition of infrastructure; and the needs of poor and vulnerable communities (including by taking into account the local human development index, GDP per capita, wage distribution, share of Roma population, and employment rates). Six first instance courts were prioritized: Calafat, Contesti, Horezu, Tg Neamt, Carei and Corabia. Each of these sites is in very poor condition and requires extensive rehabilitation or reconstruction. The improved infrastructure at these sites will comply with design standards developed under the JRP, and will be completed in the early stage of the new project. The design standards comply with EU and international standards for physical accessibility and for the treatment of prisoners, victims of crime and juveniles. Civil works at an additional three sites have started under the existing JRP and will be finalized early in the new project, including Sibiu Tribunal, Prahova First Instance Court, Tribunal and Court of Appeal. The prioritization exercise also identifies a reserve list of additional sites that could be upgraded in the event of either cost savings under this project or additional financing or a new phase of the project. The component will also finance the last stage of the Main Design Standards for Romanian courthouses (started under JRP), which will lay the foundation for any future courthouse construction and rehabilitation in Romania, and the preparation of a pipeline of future justice infrastructure projects, including technical designs and feasibility studies for rehabilitations, which could be financed by the State budget or other sources.

15. This component will support activities that increase community awareness of justice services. These activities include information campaigns, lay guides, self-help tools and educational events aimed at improving understanding among citizens (and especially vulnerable groups) of their rights and obligations under the law as a way to reduce informational barriers to access to justice. Community awareness activities will include targeted interventions at select court sites at the local level and campaigns at a national level. These will focus on legal issues that affect poor and vulnerable groups such as personal bankruptcy, legal aid and support to victims of crime. In Action Plan items F.2.3 and F.1.3, community awareness activities will be delivered by the courts or in partnership with CSOs. In addition to awareness campaigns, selected court sites will host court



open days, community roundtables and workshops on topics of relevance to local communities, including events for victims of crime and measures related to insolvency of individuals. The project will support improvements in the MOJ Probation Department's services to vulnerable groups, including the development of a strategy for the rehabilitation of offenders (Action Plan B.3.7), appraisal of the status of detainees (A.4.3) and the alignment of protocols for improving services for victims of crime with EU Directive 29/2012. Surveys (to be conducted under Component 4) will measure the impacts of these community activities and will enable two-way feedback on justice issues of relevance for target groups.

## Component 2: Enhancing National Trade Registry Office Performance

16. This component supports the NTRO at the central level and throughout its 42 locations across Romania to improve the 28 services offered to users including businesses, financial institutions, insolvency practitioners, attorneys, bailiffs, notaries, courts, prosecutors and citizens, in line with EU standards. They include, among other things, the provision of certificates, information about companies, entries into the trade registry and steps related to processing of bankruptcy proceedings. NTRO is the single institution responsible for recording the life cycle of a commercial entity from its creation to its dissolution, including registration of mergers, restructurings and insolvency. NTRO also administers personal insolvency in accordance with new legislation (law 151/2015) scheduled to enter into force in early 2017. This new concept presents tremendous challenges for the NTRO and institutions in the judicial system. Based on the needs identified by the Action Plan, this component will include investments in ICT and support to community awareness and engagement activities.

17. NTRO's business plan identifies the needs that are reflected in the Strategy for the Development of the Judiciary and the Action Plan. This component will finance an ICT strategy and detailed enterprise architecture assessment for the NTRO (Action Plan A.1.5). The enterprise architecture assessment will allow NTRO to better plan its future investments and optimize use of EU funds, State budget and future Bank financing. The project will replace all standard hardware and software across the NTRO to enable staff to perform their core functions and eliminate IT-related business disruptions. The project will also upgrade the NTRO's primary and back-up data centers with modern equipment that will secure and enhance ICT performance across the organization and improve business continuity. Together, these investments will enable NTRO's existing e-services to run reliably and NTRO staff to serve their clients in a more efficient and timely manner.

18. This component will transform the existing manually operated archiving system into an online electronic archive system (EAS) making all business information available to the public. Currently, information is available only to NTRO staff. End-users, such as businesses, financial institutions, insolvency practitioners, attorneys, bailiffs, notaries, courts, prosecutors, citizens must request data in-person at NTRO locations, a process which takes several days. The online system will allow end-users in Romania and abroad to access this information at any time through the NTRO portal. This will improve convenience and save time for NTRO staff and end-users. The EAS will enable the NTRO to comply with EU Directive 17/2012, which requires all trade registries in EU member states to provide certain categories of information free online to the public by July 2017.

19. NTRO is the main information source on procedural steps and commercial and personal insolvency documentation. It is the only source where interested parties can verify if a company or an individual is undergoing an insolvency procedure or has been declared insolvent. This component will finance technical assistance that prepares the NTRO to implement upgrades to the electronic bulletins for the new personal insolvency law and the enhanced commercial insolvency procedure. The Insolvency Procedures Bulletin



explains how to initiate and undertake an insolvency procedure. Technical assistance will assess the upgrades needed to bring the NTRO Electronic Bulletin into compliance with EU laws. This requires interconnectivity between the NTRO and insolvency registries of other EU member states. Additional functionality will include interconnectivity with ECRIS and the EU e-justice portal. This work analytical work will prepare for a follow-up financing that will support rollout the E-bulletins including investments in software development and servers.

20. This component will also finance information campaigns and outreach activities that will enable the NTRO to increase awareness among its end-users of the services it offers electronically and in person at its 42 locations. Campaigns will encourage a gradual shift in behavior among end-users towards use of e-copies of NTRO information from the EAS, rather than hard copies. Campaigns will target micro and small businesses and CSOs in particular to increase awareness of NTRO services. Activities will focus on the implementation of Law no 151/2015 related to insolvency of individuals. This will include workshops for insolvency commissions, courts, insolvency practitioners, bailiffs, lawyers, notaries and others to address unitary enforcement of the law, establishment of collaboration protocols with the relevant institutions, and awareness campaigns related to the implications of this law for eligible individuals. In partnership with NGOs and with involvement of civil society, JSIP will support special information programs for citizens including workshops and roundtables, service guides and publicity campaigns. These will raise awareness of on-line facilities, such as those for start-up businesses initiated by students, young entrepreneurs and others, the e-services provided by the Electronic Archiving System, and interconnectivity of EU trade and business registers that can be used to obtain information related to foreign business partners.

### **Component 1: Improving Operations of Courts and Institutions under MOJ Authority**

21. Based on the needs identified by the *Strategy for the Development of the Judiciary and the Action Plan (2015-2020)*, this component will include: investments in ICT across the judiciary to maintain and enhance core functions of the courts; courthouse rehabilitation and construction to improve the system's ability to deliver services, especially in poor and underserved regions of Romania; and community awareness activities to increase responsiveness of the courts to the needs of local communities, especially for vulnerable groups. The component will also support preparatory work for investments aligned with the Action Plan, such as design and feasibility studies. This will develop a pipeline of investments in courts and other institutions under MOJ authority that can be used to facilitate mobilization of funding from the State budget and donors.

22. ICT investments will improve the efficiency of operations across the court network. In the short term, WAN and LAN infrastructure will enable fast and secure electronic exchange of information within courts and between courts in a complex. This will also enable audio recording software financed under the JRP to operate at all workstations. Courts will gradually transition from paper to electronic formats, as more scanning equipment will be available allowing expansion of e-filing pilots. Free Wi-Fi may be offered to lawyers and parties in several courthouses, saving time for court users and improving the user experience at the courthouse. Investments in ICT equipment, mainly standard hardware (desktops, printers, scanners, servers) and software (document management, archiving, legal templates, Anti-Virus, audio recording) will replace obsolete equipment that was purchased in 2006. Reliable hardware and software will reduce security breaches, system failures and frequent outages across the country, save time and reduce frustration among judges and court staff, enabling them to focus on core functions. Related ICT training will also be provided to users across the court network, which will improve skills and productivity in the workplace. In the medium term, these ICT





investments will support system upgrades financed through technical assistance under POCA. The extensive POCA-financed upgrades will include the re-engineering of the integrated case management system (ECRIS), the availability of audio/visual recordings, large-scale e-filing, alternative dispute resolution, case management of the asset recovery office, and tools for the integration of the EU's e-justice portal and cooperation with EU member states.

23. Investments in judicial infrastructure will improve court operations at first instance courts in various locations across Romania, in an effort to improve the delivery of services to poor and underserved populations. During project preparation, the MOJ identified priority court infrastructure based on the following selection criteria: court caseloads; the condition of infrastructure; and the needs of poor and vulnerable communities (including by taking into account the local human development index, GDP per capita, wage distribution, share of Roma population, and employment rates). Six first instance courts were prioritized: Calafat, Contesti, Horezu, Tg Neamt, Carei and Corabia. Each of these sites is in very poor condition and requires extensive rehabilitation or reconstruction. The improved infrastructure at these sites will comply with design standards developed under the JRP, and will be completed in the early stage of the new project. The design standards comply with EU and international standards for physical accessibility and for the treatment of prisoners, victims of crime and juveniles. Civil works at an additional three sites have started under the existing JRP and will be finalized early in the new project, including Sibiu Tribunal, Prahova First Instance Court, Tribunal and Court of Appeal. The prioritization exercise also identifies a reserve list of additional sites that could be upgraded in the event of either cost savings under this project or additional financing or a new phase of the project. The component will also finance the last stage of the Main Design Standards for Romanian courthouses (started under JRP), which will lay the foundation for any future courthouse construction and rehabilitation in Romania, and the preparation of a pipeline of future justice infrastructure projects, including technical designs and feasibility studies for rehabilitations, which could be financed by the State budget or other sources.

24. This component will support activities that increase community awareness of justice services. These activities include information campaigns, lay guides, self-help tools and educational events aimed at improving understanding among citizens (and especially vulnerable groups) of their rights and obligations under the law as a way to reduce informational barriers to access to justice. Community awareness activities will include targeted interventions at select court sites at the local level and campaigns at a national level. These will focus on legal issues that affect poor and vulnerable groups such as personal bankruptcy, legal aid and support to victims of crime. In Action Plan items F.2.3 and F.1.3, community awareness activities will be delivered by the courts or in partnership with CSOs. In addition to awareness campaigns, selected court sites will host court open days, community roundtables and workshops on topics of relevance to local communities, including events for victims of crime and measures related to insolvency of individuals. The project will support Improvements in the MOJ Probation Department's services to vulnerable groups, including the development of a strategy for the rehabilitation of offenders (Action Plan B.3.7), appraisal of the status of detainees (A.4.3) and the alignment of protocols for improving services for victims of crime with EU Directive 29/2012. Surveys (to be conducted under Component 4) will measure the impacts of these community activities and will enable two-way feedback on justice issues of relevance for target groups.

## **Component 2: Enhancing National Trade Registry Office Performance**

25. This component supports the NTRO at the central level and throughout its 42 locations across Romania to improve the 28 services offered to users including businesses, financial institutions, insolvency practitioners,



attorneys, bailiffs, notaries, courts, prosecutors and citizens, in line with EU standards. They include, among other things, the provision of certificates, information about companies, entries into the trade registry and steps related to processing of bankruptcy proceedings. NTRO is the single institution responsible for recording the life cycle of a commercial entity from its creation to its dissolution, including registration of mergers, restructurings and insolvency. NTRO also administers personal insolvency in accordance with new legislation (law 151/2015) scheduled to enter into force in early 2017. This new concept presents tremendous challenges for the NTRO and institutions in the judicial system. Based on the needs identified by the Action Plan, this component will include investments in ICT and support to community awareness and engagement activities.

26. NTRO's business plan identifies the needs that are reflected in the Strategy for the Development of the Judiciary and the Action Plan. This component will finance an ICT strategy and detailed enterprise architecture assessment for the NTRO (Action Plan A.1.5). The enterprise architecture assessment will allow NTRO to better plan its future investments and optimize use of EU funds, State budget and future Bank financing. The project will replace all standard hardware and software across the NTRO to enable staff to perform their core functions and eliminate IT-related business disruptions. The project will also upgrade the NTRO's primary and back-up data centers with modern equipment that will secure and enhance ICT performance across the organization and improve business continuity. Together, these investments will enable NTRO's existing e-services to run reliably and NTRO staff to serve their clients in a more efficient and timely manner.

27. This component will transform the existing manually operated archiving system into an online electronic archive system (EAS) making all business information available to the public. Currently, information is available only to NTRO staff. End-users, such as businesses, financial institutions, insolvency practitioners, attorneys, bailiffs, notaries, courts, prosecutors, citizens must request data in-person at NTRO locations, a process which takes several days. The online system will allow end-users in Romania and abroad to access this information at any time through the NTRO portal. This will improve convenience and save time for NTRO staff and end-users. The EAS will enable the NTRO to comply with EU Directive 17/2012, which requires all trade registries in EU member states to provide certain categories of information free online to the public by July 2017.

28. NTRO is the main information source on procedural steps and commercial and personal insolvency documentation. It is the only source where interested parties can verify if a company or an individual is undergoing an insolvency procedure or has been declared insolvent. This component will finance technical assistance that prepares the NTRO to implement upgrades to the electronic bulletins for the new personal insolvency law and the enhanced commercial insolvency procedure. The Insolvency Procedures Bulletin explains how to initiate and undertake an insolvency procedure. Technical assistance will assess the upgrades needed to bring the NTRO Electronic Bulletin into compliance with EU laws. This requires interconnectivity between the NTRO and insolvency registries of other EU member states. Additional functionality will include interconnectivity with ECRIS and the EU e-justice portal. This work analytical work will prepare for a follow-up financing that will support rollout the E-bulletins including investments in software development and servers.

29. This component will also finance information campaigns and outreach activities that will enable the NTRO to increase awareness among its end-users of the services it offers electronically and in person at its 42 locations. Campaigns will encourage a gradual shift in behavior among end-users towards use of e-copies of NTRO information from the EAS, rather than hard copies. Campaigns will target micro and small businesses and CSOs in particular to increase awareness of NTRO services. Activities will focus on the implementation of Law no 151/2015 related to insolvency of individuals. This will include workshops for insolvency commissions,



courts, insolvency practitioners, bailiffs, lawyers, notaries and others to address unitary enforcement of the law, establishment of collaboration protocols with the relevant institutions, and awareness campaigns related to the implications of this law for eligible individuals. In partnership with NGOs and with involvement of civil society, JSIP will support special information programs for citizens including workshops and roundtables, service guides and publicity campaigns. These will raise awareness of on-line facilities, such as those for start-up businesses initiated by students, young entrepreneurs and others, the e-services provided by the Electronic Archiving System, and interconnectivity of EU trade and business registers that can be used to obtain information related to foreign business partners.

### **Component 3: Improving Operations at the Prosecution Service**

30. The ICT investments at the Public Ministry will improve the core functions of the prosecution service in a manner similar to the courts. The WAN and LAN rollout in prosecution offices as well as cabling and reconfiguration of the LAN of the Bucharest Tribunal's Prosecutor Office will enable prosecutors to share information quickly and securely with each other. In addition, investments in the General Prosecutor's Office's main and secondary data centers will lay the foundation for the Public Ministry to implement the EU-funded audio/video records management system, which will ultimately ensure that prosecution interviews with victims and defendants are recorded in compliance with human rights standards.

31. This component will also finance an integrated security system, including security equipment, video surveillance and access cards, at the Prosecutors Office attached to the Supreme Court of Cassation (PCCIJ) where much of Romania's sensitive prosecution work is undertaken. This building is currently being rehabilitated using funds from the State budget. The enhanced security system will improve safety at the workplace and promote the integrity of the prosecution service.

32. Community awareness activities under this component will be carried out in conjunction with those under component 1. Information campaigns to improve legal literacy among vulnerable groups will help the prosecution service to engage directly with groups at risk of being drawn into the criminal justice system and victims of crime. In line with item F 2.4 of the Action Plan, partnerships with NGOs and the General Inspectorate of the Police will support judicial education programs in areas with a high criminal rate and/or high levels of poverty, for example in the area of criminal law, human rights, prevention of and fight against corruption. JSIP will also support implementation of the Protocol signed with the Ministry of Education regarding judicial education in schools. Particular activities will include presentations by local prosecutors in schools, visits of young scholars in prosecution offices and police sections, preparation and dissemination of educational material and prize competitions. The project may also include training of prosecutors and staff to increase their capacity to use local level feedback and effectively respond to the needs and challenges faced by vulnerable groups and to address stereotyping and discrimination, in particular regarding Roma.

### **Component 4: Project Management**

33. This component will finance the operating costs of the Department for Implementation of Externally Funded Projects (DIEFP) at the MOJ which will act as the project implementation unit for the project. The Government will fund the salaries of the DIEFP. The IBRD loan will cover other project management costs, including training for MOJ and beneficiary staff.



34. This component will also finance the implementation of surveys and related analytical work that will assess the experiences and perceptions of institutional users, end users and potential users of justice services. Survey results will be publicly available and disseminated through workshops and outreach events for institutions and target groups at a national and local level. The surveys will inform implementation and adjustments in design, particularly at stage of Mid-Term Review, scheduled for 2020. Surveys may also be used to inform institutional decision-making and for reporting to the CEPEJ.

## E. Implementation

### Institutional and Implementation Arrangements

35. Building on a solid track record of effective implementation of the JRP, the Department for the Implementation of Externally Financed Projects (DIEFP) will be responsible for day-to-day project implementation, including the procurement of goods, works and consultants' services, the disbursement of funds and financial management, audit, and control, monitoring and reporting. DIEFP will coordinate with beneficiaries outside of the MOJ.

36. DIEFP staffing comprises: project manager; deputy manager; technical manager; technical adviser (x2); financial manager; financial specialist; internal financial controller; procurement specialist (x 2); IT manager; IT specialist (x 4); legal specialist, judicial system specialist; and driver (x 2). Under JSIP, four additional positions will be created. In order to support JSIP, DIEFP procurement capacity will be expanded to include: two positions to plan, design and deliver procurement. A monitoring and evaluation specialist will be appointed to oversee surveys and data collection, including dissemination and dialogue on results. A stakeholder engagement specialist will be appointed to coordinate and oversee communications and community awareness activities to ensure two-way communication with beneficiaries. The Government will finance the salaries of DIEFP staff. JSIP will finance all other operating costs.

37. The establishment of a Project Steering Committee was considered and rejected. There are only three implementing institutions and the project components and activities do not require significant coordination between these institutions. Project implementation challenges can be resolved through the sector's existing coordination systems with the support of DIEFP. A dedicated page on the MOJ website will provide information about the project, including project activities, results and the contact details of DIEFP.

## F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

Component 1 includes construction and rehabilitation of courts to improve the system's ability to deliver services in poc underserved regions. Construction will comply with design standards developed under the JRP based on EU requirements international good practice for accessibility and treatment of detainees, victims of crime, juveniles etc. Refurbishing will involve altering interior spaces and plan layouts, and adapting existing spaces for new functions. While many activities v carried out country-wide, the activities relevant for safeguards are the civil works. The locations of the selected courts h been determined: Costesti, Calafat, Horezu, Tg Neamt, Carei, Corabia. However, the anticipated investments for the rehabilitation/adaptation of the selected courts are not yet defined. Engineering investigations are needed to decide on respective solution, followed by the preparation of detailed designs for each site.

All investment sites are expected to be located within existing rights of way and on land owned by the MOJ. Designs will prepared to minimize potential environmental and social impacts.



G. Environmental and Social Safeguards Specialists on the Team

Valerie Morrica, Cesar Niculescu

SAFEGUARD POLICIES THAT MIGHT APPLY

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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	JSIP will not finance any activities with significant or irreversible environmental impacts, and therefore has triggered the WB environmental safeguard policy OP 4.01, with classification as Environmental Category "B" – partial assessment. The main project interventions refer to the rehabilitation and limited new construction of court buildings all over the country. An ESMF and site specific ESMPs will be prepared.
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	Yes	Two court buildings (Carei and Corabia) are categorized as historical monuments. The ESMF includes requirements for the borrower and contractors, as will be reflected in further the site-specific ESMPs and the POM. These refer to specific measures necessary to be taken for complying with Romanian laws and procedures related to the physical cultural resources, and with the World Bank's requirements for managing impacts on cultural property.
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	



## KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

### A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project has no significant and/or irreversible impact. Its only minor impact will be temporary nuisances resulting from construction activities, and may include: (i) increased pollution due to construction waste; (ii) generation of dust, noise, and vibration due to the movement of construction vehicles and machinery; (iii) associated risks due to improper disposal of construction waste, or minor operational or accidental spills of fuel and lubricants from the construction machinery; (iv) improper reinstatement of construction sites upon completion of works. All these potential environmental impacts are readily identifiable, small in scale, and minimal in impact and can be effectively prevented, minimized, or mitigated by including into the work contracts specific measures to be taken by contractors under close supervision of compliance by DIEFP.

Since two court buildings (Carei and Corabia) are categorized as historical monuments the project also triggers OP/BP 4.11, Physical Cultural Resources.

No cultural or historical assets will be negatively affected by the construction works. Romania has a well-developed cultural heritage protection system with responsibility for monitoring and enforcement conducted by the Ministry of Culture (MC). Legal framework for cultural preservation is outlined in the Republished Law for Preservation of Historical Heritage No. 422/2001.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Anticipated long-term environmental and social impacts would be positive and are linked to the overall project objective.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

n.a.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The project will not finance any activities with significant or irreversible environmental impacts and triggers OP 4.01 with classification as Environmental Category "B."

Effective measures have been put in place under the JRP to address and closely monitor the safeguards issues. An Environmental and Social Management Framework (ESMF) for the project consistent with Environmental Assessment (EA) requirements for both Romania and the World Bank was prepared by DIEFP and found satisfactory by the World Bank. The ESMF will be incorporated into the POM. Site-specific Environmental and Social Management Plans (ESMPs), based on the ESMF, will be prepared for each site where construction works will be implemented. Issues to be addressed through this ESMF and ESMPs instruments include proper waste management and disposal of construction debris (including asbestos), proper waste water treatment; heating and fuel system assembly, dust and noise control, sensitivity of designs to cultural settings, and cultural heritage/chance finds procedures. In practice, these issues will be addressed through a series of local permits detailed in the environmental framework review, through contractor site supervisor oversight, through the local municipality requirements, and through the unit (DIEFP) in the MOJ responsible for the court facilities and rehabilitation.

The project will not finance Category-A activities or activities that target natural habitats or protected sites, and will prohibit those activities that can cause a significant loss or degradation of any significant natural habitat. The



environmental screening process will check for the presence of physical cultural resources. In addition, cultural heritage/chance find procedures will be included in all works contracts.

The project's investments will be managed by DIEFP. Other departments of the MOJ – IT Department, Capital Investments Department, Budget Division, etc. -- will have specific and limited responsibilities related to management of investment components of the project. DIEFP will have detailed TOR for project management, and will be staffed, among others, with procurement specialists and civil work engineers who will be primarily focusing on the Court Rehabilitation Sub-Component. MOJ specialists who have relevant experience in court buildings construction/rehabilitation and implemented also the Judicial Reform Project Civil works component.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders are the justice institutions, local communities and potential users of the courts. Engagement with citizens is mainstreamed in the project. Community awareness activities with focus on specific requirements of vulnerable groups, will be integrated in all three project components to increase inclusion, efficiency and sustainability. Community awareness activities will take place at the national and local levels (for the latter they will be connected to and target the communities surrounding the civic works sites) and occur at key points in the project cycle.

Public consultation of the ESMF took place in Bucharest on September 22, 2016, and all main conclusions were included in the final version of ESMF that was posted on the MOJ's website and on the Bank's InfoShop. The ESMF will be incorporated as an Annex into the Project Operational Manual (POM). Site-specific Environmental and Social Management Plans (ESMPs), based on the ESMF, will be prepared for each site where construction works will be implemented, publicly consulted and disclosed locally before procurement commences for the civil works.

JSIP will also finance the completion of three civil works projects that commenced under JRP. Under the JRP site specific EMPs for two of these works (at Sibiu Tribunal and Prahova Palace of Justice) have been prepared, issued to the prospective bidders, disclosed and implemented in accordance with Bank rules. For the civil works at Prahova Tribunal the general EMP for the JRP, prepared and disclosed in 2005 was applied and implemented in accordance with Bank rules. The EMPs prepared under the JRP were re-disclosed in with a mention that they continue being applicable to the sites under JSIP carried over from JRP.

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## B. Disclosure Requirements

### Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission to InfoShop	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
22-Sep-2016	28-Sep-2016	

### "In country" Disclosure

Romania  
28-Sep-2016

Comments  
MOJ website



**C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)**

**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

**OP/BP 4.11 - Physical Cultural Resources**

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes

**All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

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**APPROVAL**

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**Approved By**

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Country Director:	Suzy H. Yoon-Yildiz	03-Oct-2016



**Note to Task Teams:** End of system generated content, document is editable from here.