PHARE 2006 PROJECT FICHE

1 BASIC INFORMATION

CRIS Number: HR2006/018-113/1/2
Tile: Support to Court Administration and Case Management Improvement
Sector: 15130
Location: Croatia.
Duration: 24 months

2 OBJECTIVES

2.1 Overall Objectives

The overall objective of the Support to Court Administration and Case Management Improvement is to contribute to the preparation process of Croatia for membership in the EU regarding the judiciary sector; and to support the reform of the judiciary and enhance the administrative capacity of courts system in Croatia.

2.2 Project Purpose

The purpose of the project is to establish a more efficient court administration and case management system in all Croatian courts building on the results of previous and ongoing EC and WB funded Integrated Case Management System (ICMS) projects.

2.3 European Partnership and NPIEU priority

According to the short terms priorities of the European Partnership Judicial System in Croatia needs to make headway in reducing the case backlog in the courts, make progress in rationalising the organisation of courts including the development of modern information technology, establish an open, fair and transparent system of recruitment, evaluation and promotion and enhance professionalism in the judiciary by ensuring adequate state funding for high quality training for judges, prosecutors and administrative staff (p. 6. The Council Decision on the principles, priorities and conditions in the Accession Partnership with Croatia).

According to the National Programme for the Integration of the Republic of Croatia into the EU-2006, planned activity of the MoJ in 2006 is continued implementation of activities and measures aimed at reducing the backlog of cases (ch. 3.23.3).

2.4 Contribution to National Development Plan

Not applicable.

2.5 Cross Border Impact

Not applicable.

3 DESCRIPTION
3.1 Background and justification

3.1.1 Country Background

The Croatian judiciary has been affected by several problems including (a) insufficient training of judges and court personnel, (b) insufficient implementation of the newly adopted Criminal and Civil Procedure Codes, (c) inefficiency of the courts in carrying out judicial work, resulting in a large backlog of cases (d) lack of information technology, and (e) judges having responsibilities which are normally administrative rather than judicial decisions.

The poor performance of the judiciary has led to a loss of public confidence and the confidence of the business community. The main factors that undermine the judiciary also have implications for the rule of law, which is a key element in any well-functioning democracy. Inefficient law enforcement undermines legal security and social order. It also has a profound effect on the socio-economic well-being of the state, respect for human rights, and personal security.

By far the greatest number of cases making up the current court backlog relate to the execution of judgments, in particular in connection with debt enforcement. The average length of court proceedings is also affected by these types of cases. The Croatian judiciary also lacks standardized forms for court documents, which need to be developed to increase the efficiency of court proceedings.

In order to address a comprehensive reform of the judiciary in Croatia, which is a fundamental condition for the strengthening of the rule of law and a prerequisite for Croatia’s integration into the EU, a working group led by the Ministry of Justice drafted the Overall Strategy of the Reform of Judiciary (hereinafter referred to as: Strategy) containing an Action plan with short-term, medium-term and long term measures, deadlines and financial indicators necessary for its implementation and particularly for decreasing the number of enforcement cases which contains measures, goals and deadlines. Also, MoJ drafted comprehensive IT Strategy containing analysis of the current state and strategic development proposal for an information and communication system. These Strategies were adopted by the Government on 22 September 2005. (see http://www.pravosudje.hr). The main goals within the Strategy are:

- strengthening the rule of law and the independence of the justice system
- creating an efficient justice system
- adjustment to the EU legal standards
- education
- suppression of crime (corruption, terrorism, organized crime)
- enhancing regional and international cooperation
- IT introduction into the justice system
- the rationalization of the number of courts in Croatia

Introduction of IT technology into the judiciary, which plays an important role in the Overall Strategy, and includes linking all judicial bodies with each other and with the Ministry as well as the introduction of the Integrated Court Management System, is one of the important steps that needs to be taken in order to have an efficient, transparent, speedy and easily accessible (for all) justice system. The state of play and the priorities that need to be undertaken are contained in the Overall IT
strategy (see: http://pravosudje.hr).

The Enforcement Act was amended in July 2005. In addition, transitional solutions for the short-term management of the situation were initiated e.g. in the fields of land registration (which is a part of the court system), judicial administration, the IT sector, infrastructure investments, support to the Judicial Academy, legislative amendments, rationalization of the number of courts etc. One complementary way to make the justice system more efficient and speedy is to disburden courts by promoting alternative dispute resolution (e.g. in labor cases, commercial cases). The Croatian Ministry of Justice has drafted a Strategy for alternative dispute resolution which is a part of the overall Strategy.

The Ministry of justice has established a verification/operational body composed of MoJ representatives and judicial officials, which will recommend court procedures and standardized forms needed for the future ICMS.

The ICMS implementation will also produce statistical information on the backlog of cases and that will be needed to analysis the type of cases, the time the case has been pending and the reason for the delay. The analysis of statistical data is necessary for understanding the reasons that led to the current backlog of cases and for finding adequate solutions to overcome the problem.

### 3.1.2 Current State of Affairs in the sector

In order to address the main problems which the Croatian judiciary is faced with (backlog and excessive duration of court proceedings) several projects have been ongoing, aimed at creating an ICMS:

**Joint Agreement on ICMS:** considering that there are various donor-financed initiatives, and in order to enhance co-ordination and co-operation, the Ministry of Justice and the 3 main donors (EC, WB and USAID) have agreed in May 2003 to combine their efforts and support the development of an integrated case management system. This agreement contained an Action Plan to establish an Integrated Court Case Management Information System for the Croatian Judiciary, detailing the respective roles of the different donor agencies as well as the Ministry of Justice.

1. **First phase:** USAID would deliver the functional specifications (description of the case routing from registration into the court until the final decision is taken).
2. **Second Phase:** World Bank would finance the ICMS (Integrated Case Management System) software and test it in 4 pilot courts (Municipal Court of the Zagreb, Municipal Court of Pula and Commercial Court of Split, Commercial Court of Zagreb).
3. **Third Phase:** Building centralized Data Center for Main Server Pool location and Backup/Disaster Recovery Server Pool location for ICMS and other MOJ applications and registries. This centralized Data Center is needed in December 2006 in accordance with implementation schedule of ICMS project financed by the World Bank.
4. **Fourth Phase:** MOJ would use the developed ICMS software and implement it in targeted courts (about 100 - 150 courts in total) as well as equip all these pilot
courts. Implementation means changing business processes and court organization according to new procedures introduced by ICMS system and roll out of developed software itself. Courts where the ICMS will be implemented are:

- pilot courts equipped and educated through World Bank CBAP Project (all Commercial Courts and High Commercial Court - 13)
- all pilot courts supported/equipped by CARDS 2002 "Support to a more efficient, effective and modern operation and functioning Croatian Court system" and its follow up CARDS 2003 “Support to the reform of Croatian court system”-phase 2
- all the remaining courts which will not be effected by the Ministry of Justice rationalization of court network process (which will reduce the current number of courts).

The Ministry of Justice registered delay in starting designing the ICMS software, which has affected the implementation of CARDS 2002 and 2003 projects above mentioned. The ICMS is currently being developed by the WB ICMS project (IBM) and should be finalized by the end of 2006. The IT infrastructure still needs to be installed in the pre-selected courts before the ICMS can be implemented.

Through the Commission assistance (under CARDS 2002 and CARDS 2003, above), the Ministry of Justice has/will equip pilot courts to be prepared for ICMS implementation/roll out. The following steps will be financed by MoJ budget and by CARDS 2004 “Improvement court and case management improvement at the High Misdemeanor Court and selected Misdemeanor Courts”. The Ministry will build a centralized main and backup Data Centre with server pool needed for ICMS and other MoJ applications, and for the implementation of the ICMS system for all Croatian courts.

This project fiche aims to improve court efficiency by having a court administration which implements an integrated court case management system with world best practice business process and comprehensive IT system. This system will enable good case management system and will be a decision making tool for the whole judiciary. This will also result in a significant reduction of the backlog of cases in the medium-long term. The project fiche in particular will undertake the following activities:

1. Analyse current business processes and procedures in each court and perform a gap analysis between the current state of business processes within the courts and business processes which ICMS is bringing in functional sense. It will ensure business process reengineering and adapting BPs to ICMS business logics and perform technical implementation of ICMS (including establishing roles and responsibilities for all court staff and authorizations).

2. In cooperation with the MOJ’s work group a gap analysis will be performed between the business processes and rules regulated by the current Book of Rules and the new possibilities introduced by ICMS (business processes, procedures and standardized court forms) and make recommendations for changes/amendments to the Book of Rules.
3. Develop and implement custom training programs for Key Users and Trainers, consisting of introduction of new business processes and procedures to the court staff; how to accept it, adjust their daily operations and use ICMS application.

3.2 Sector Rationale

Not applicable.

3.3 Results

The results to be achieved by the project are as follows.

1. A reliable, efficient and sustainable system for management of cases in the courts and for general administration of the court system established.

2. The relevant by-laws (Book of Rules) revised/redrafted, adopted and implemented.

3. Increased administrative capacitive of court staff regarding the newly adopted court management system (new business processes, procedures and IT system)

Activities (including means)

**Contract: 1 – Service**

All the project activities will have to build on the results of previous/ongoing EC and WB funded projects regarding ICMS.

**Component 1: Developing/improving the management and information system**

- Analyze the current business processes and procedures in each court
- Conduct a gap needs analyses between the current state of business processes within the courts and business processes which ICMS is bringing in functional sense
- Re-engineer the current business process by adapting BPs to ICMS business logic
- Analyze the ICMS effects on four pilot courts in order to avoid repetition of possible negative impacts and elaborate a comprehensive report.
- Support the technical implementation of ICMS.

**Component 2: Regulatory framework (Books of Rules)**

- Conduct a gap analyses between the business processes and rules regulated by the current Book of Rules and the new possibilities introduced by ICMS (business processes, procedures and standardized court forms).
- Make recommendations for changes/amendments to the Book of Rules.
- Support to draft the Book of Rules.

**Component 3: Capacity building/training**
• Carry out a TNA and elaborate a training strategy
• Develop a customized training program and training packages focusing, inter alia, on the:
  (a) Introduction of new business processes and procedures to the court staff; how to accept it and adjust to their daily operations
  (b) Managerial skills of a court presidents
  (c) Correct utilization of ICMs
  - Select a core group of local trainers to become ToT
  - Deliver training to ToT and key users

**Means (including costs)**

**Team Leader (20 M/M)**

- University degree in law, management, public/business administration or in a similar relevant discipline
- Minimum 10 years significant experience in the organization of the courts at senior managerial level
- Good working knowledge of PCM tools and methodology applied to project management.
- Specific proven experience to manage and coordinate medium-large size pool of short-term experts.
- Previous experience with EU and/or World Bank assistance projects on the reform of courts system would be an advantage.
- Previous relevant experience with the Croatian Judiciary would be an advantage.
- Excellent communication skills, with fluency in written and spoken English language, including excellent report-writing English language.
- Knowledge of Croatian language would be an advantage.
- Computer (MS Office/MS Project) and office automation literacy required;
- Knowledge of information technology and administration would be an advantage.

**Deputy Team Leader/Legal Advisor (20 M/M)**

- University-level degree in law.
- Minimum 10 years relevant work experience as a lawyer, judge or legal expert gathered with national institutions or international organizations.
- Excellent knowledge of the Croatian legal and judiciary system.
- Proven teamwork skills;
- Excellent communication skills
- Excellent command of written and spoken English and Croatian languages
- Computer (MS Office/MS Project) and office automation literacy required;
- Experience in business administration would be an advantage
- Experience in managing comparable activities of project or contract work with EC projects, including knowledge of the EC procurement guidelines, local taxation, banking and other pertinent regulations affecting national and
international procurement, and experience with preparation of detailed technical specifications would be an advantage;

- Previous experience in EU or World Bank assistance projects on the reform of courts system would be an advantage.

**Short-term experts / IT Experts (300 M/M)**

- Minimum 5 year relevant work experience including computerization of courts and case management system.
- Excellent knowledge of modern information technology, SW application development and its application to database management systems, communication systems, and document management systems.
- Knowledge of current international standards and regulations applicable on software development and testing.
- Knowledge of Croatian standards and regulations applicable on software development and testing would be an advantage;
- Previous experience in EU or World Bank assistance projects on the reform of courts system would be an advantage.
- Good interpersonal and communication skills, as well as the ability to work in a large team;
- Good command of written and spoken English.
- Knowledge of Croatian language is mandatory for national experts and would be an advantage for international experts.

**Short-term experts / Legal-Business Re-engineering experts (150 M/M)**

- University-level degree in a relevant subject.
- Minimum 5 year relevant work experience including court management, statistics and budgeting, rationalization of courts, formatting of court decision/documents, etc.
- Previous work experience with EU or World Bank assistance projects on the reform of courts system would be an advantage.
- Good interpersonal and communication skills, as well as the ability to work in a large team;
- Good command of written and spoken English.
- Knowledge of Croatian language is mandatory for national experts and would be an advantage for international experts.

**3.5 Linked Activities**

*The Ministry of Justice has been the beneficiary of the following projects related to the improvement of court and case management:*

- OBNOVA 1999: "Supreme Court and Law Faculties" (finished in March 2003) – this project eventually led to the creation of the Supreme Court’s web site and the system for publication of the Court’s decisions;
- USAID "Modernization of the Municipal Court in Zagreb" (finished) – National Center for State Courts has analyzed the operation of the Municipal Court in Zagreb as the largest court in Croatia, and has set ground for development of functional specifications for a future ICMS system;
- World Bank & USAID "Court and Bankruptcy Administration Project" - assistance in advancing insolvency proceedings by modernization of selected Commercial Courts (ongoing) – subsequently a development of the ICMS system for all Croatian courts and all types of cases has been added to this project;
- World bank IDF Grant “Institutional Capacity Building for Monitoring Judicial Efficiency” (ongoing) – a project designed to enhance the institutional system of court statistics and judicial performance monitoring mechanism;
- CARDS 2002: "Support to a more efficient, effective and modern operation and functioning Croatian Court system" (ongoing) – attempts to address the issue of a large case backlog in Croatian court system and to set parameters for reorganization (rationalization) of the court network; as mentioned, the project equipped pilot courts on which ICMS will be implemented
- CARDS 2003 “Support to the reform of Croatian court system”-phase 2-(work plan under development, tender for IT supply ongoing) follow up of CARDS 2002 project; as mentioned, the project will equip pilot courts on which ICMS will be implemented
- CARDS 2004 “Improvement court and case management improvement at the High Misdemeanor Court and selected Misdemeanor Courts”(preparation of techspec ongoing)- centralized Data Center for ICMES will be purchased
- CARDS 2004: “Support to more efficient, effective and modern operation and functioning of the Administrative Court of the Republic of Croatia” (planned to start in 2Q/2006)-follow up of CARDS 2002 and 2003 projects

3.6 Lessons Learned
The lessons learned from previous and ongoing EC and WB funded projects dealing with ICMS matters, needed to assure an efficient and effective project implementation, are as follows:

- **Enhanced donor coordination will be crucial to assure that the project will be implemented smoothly.** Good donor coordination mechanism is particularly needed for this project in consideration of the fact that the two main donors in this sector (the EU and the USAID/WB) operate under different rules and procedures.

- **Full support and commitment of the MoJ** that, as beneficiary institution, will be the principal driving force for the successful project implementation.

- **Strong managerial role of the PIU** due to the wide number of stakeholders involved with ICMS (EC, WB, other donors, international and national experts, MoJ, Courts authorities, etc.), and to the need to have an interdisciplinary approach in consideration of the different aspects dealt with by the project, namely, IT, law, business organization, training, change management. Currently, due to the weak implementation capacity of the MoJ PIU, these important coordination tasks have been undertaken by the WB funded Project Management Unit (PMU) that consists primarily of high level and very committed local experts. The MoJ should capitalize on the PMU expertise and institutional memory and should explore ways to transfer their know how and experience to the PIU.
- **Involvement of the Verification/Operational Body** composed of MoJ representatives and judicial officials that was recently established to recommend court procedures and standardized forms needed for the ICMS implementation.

- **Increased IT capacity within the MoJ and Judiciary in general** – is needed to assure project success and sustainability and the MoJ will have to assure sufficient number of trained IT staff dealing with the different levels of the system.

- **Change Management** – requires that the whole court system is willing and ready to introduce and utilize the needed changes and tools.

## 4 INSTITUTIONAL FRAMEWORK

The responsible Directorates of the Ministry of Justice are:

**For component 1: Developing/improving the management and information system** – Department for financial and economic affairs – Assistant Minister: Igor Mihaljević,

**For component 2: Regulatory framework (Books of Rules)** – Directorate for Organization and Human Resource Management – Assistant Minister: Ms Barica Novosel

**For component 3: Capacity building/training** - Department for financial and economic affairs – Assistant Minister: Igor Mihaljević

The Court authorities are important stakeholders/target groups and the Supreme Court strategic advise has to be taken into the due consideration.

A Project Steering Committee (SC) will be set up, consisting of the MoJ, Supreme Court, the Central Financing and Contracting Unit (CFCU) and representatives of the European Commission Delegation to Croatia.

The MoJ PIU will assure project coordination and implementation through the project cycle and will monitor on a regular basis the progress of the project activities.

The verification/operation body, established in the MoJ for the implementation of the WB funded ICMS project, will also be a useful actor to support project implementation.

The Ministry of Justice will be responsible for the provision of the necessary resources/office space/equipment to the contractor.
5 DETAIL BUDGET

<table>
<thead>
<tr>
<th>€</th>
<th>National Public Funds (*)</th>
<th>Other Sources (**)</th>
<th>Total Co-financing of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phare/Pre-Accession Instrument support</td>
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| Year 2006 – Investment support jointly co-funded |                         |                   |                             |
| Investment support – sub-total |                         |                   |                             |

<table>
<thead>
<tr>
<th>% of total public funds</th>
<th>max 75 %</th>
<th>min 25 %</th>
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</table>

| Year 2006 Institution Building support |                         |                   |                             |
| Service/Twinning Contract | 3.000.000 |                   |                             |
| IB support | 3.000.000 |                   |                             |

| Total project 2006 | 3.000.000 |                   |                             |

Croatian’s contribution to the project to fulfill the co-financing requirements will cover provision of adequate office space and equipment for the project experts and other costs non-eligible for pre-accession funding.

The Government of Croatia will provide sufficient financial resources under the National Budget for the implementation of the integrated case management system including the roll-out of the system into the courts.
6 IMPLEMENTATION ARRANGEMENTS

6.1 Implementing Agency

The Central Financing and Contracting Unit (CFCU) at the Ministry of Finance is responsible for the tendering, contracting and disbursement of all the project’s components in line with DIS principles and the PRAG.

The Programme Authorising Officer (PAO) for the project is:
Mrs Vladimira Ivandić
Assistant Minister
Ministry of Finance
Katančićevo 5
10000 Zagreb, Croatia

The Senior Programme Officer (SPO) at the Ministry of Justice is responsible for the technical management and authorisations associated with the project, including submission of the detailed technical design for the project’s components to the CFCU, inputs in relation to the corresponding evaluation of technical offers, plus follow-up contract implementation and monitoring, approval of contract outputs and confirmation to the CFCU that no technical constraints (as opposed to procedural or budgetary constraints) exist in relation to the CFCU’s processing contractual payments.

The SPO for the project is:
Snježana Bagić, State Secretary,
Ministry of Justice, Dežmanova 10
10000 Zagreb, Croatia
telephone: +385 (0)1 3710 610, fax: + 385 (0)1 3710 612
e-mail: sbagic@pravosudie.hr

The person responsible for the follow-up of the project is:

Igor Mihaljević, Assistant Minister,
Department economic and financial affairs
Ministry of Justice, Dežmanova 10
Ulica Republike Austrije 14, 10 000 Zagreb, Croatia
Telephone: +385 01 3710-720, fax: + 385 01 3710-722
e-mail: imihaljevic@pravosudje.hr

The contractor will work together with the staff of the beneficiary institution under the overall direction of the beneficiary institution and the Project Steering Committee.

6.2 Twinning

Not applicable
6.3 **Non-standard aspects:**

All aspects of project procurement and implementation will be carried out in full compliance with the competitive tender/contract procedures outlined in the Practical Guide to External Aid Procedure (PRAG).

6.4. **Contracts**

Contract 1: € 3 million

7 **IMPLEMENTING SCHEDULE**

7.1 Start of tendering/call for proposals: 1Q/2007
7.2 Start of Project Activity: 3Q/2007
7.3 Project Completion: 2Q/2009

8 **EQUAL OPPORTUNITY**

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

Specifically in relation to the issue of equality between men and women, Croatia’s population (2001 census) constitutes 51.87% women and 48.13% men, with those in active employment (based on Labour Force Survey statistics, conducted in accordance with ILO methodology, for the second half of 2002) divided 45.31% women and 54.69% men.

All contractors shall be requested to provide monitoring data recording the participation of men and women in terms of expert inputs (in days) and of trainees benefiting under the project (in days) as an integral component of all project progress reports.

9 **ENVIRONMENT**

Not applicable.

10 **RATES ON RETURN**

Not applicable.

11 **INVESTMENT CRITERIA**

Not applicable.
12 CONDITIONALITY AND SEQUENCING

Pre-conditions

Enhanced donor coordination

MoJ clearly define the rationalization of the court network and assure that the courts in which the ICMS will be introduced will remain operational after restructuring the court network.

Successful completion of the WB ‘Court and Bankruptcy Administrative Project (ICMS) with evidences that the ICMS software is developed and successfully tested in 4 pilot courts by January 2007, and successful implementation of Component D of the CARDS 2003 project on “Support to the reform of Croatian court system”-phase 2 that is foreseen to be in its final phase upon project start.

MoJ needs to ensure (a) equipped central location for the production of ICMS system (b) that sufficient staff exists in courts (c) to finance the phasing out of IBM (that is currently implementing the WB funded ICMS project in 4 pilot courts) so that IBM will transfer to the project the know on the newly established ICMS in pilot courts.

The MoJ PIU and IT department implementation capacity is considerably strengthened. This will be achieved by (a) Short-term technical assistance project which is planned to be funded under bilateral assistance and to be implemented before PHARE 2005 and 2006 projects start. (b) the MoJ commitment to increase the PIU staff from the current 3 officers to at least 5 officers (job descriptions shared with the EC before the procurement notice is published). (c) adequate human and financial resources provided by the MoJ to its IT department.

Assumptions

The Ministry of Justice implement the Overall Strategy of the Reform of Judiciary (including the rationalization of courts, the revision of court statistics, etc.) without significant delays.

Full support by the Ministry of Justice, Supreme Court and court authorities.

Good coordination among the main stakeholders.

MoJ and Supreme Court assure/facilitate the access to the courts.

The court system is willing and ready to introduce and utilize the newly ICMS system.

MoJ and Court authorities release court staff from daily duties to attend the training courses/capacity building activities.

Trained staff remain in service.
Sequencing

The contractor will:

1. Receive (through MoJ funding) the necessary transfer of knowledge on the ICMS system established in pilot courts by IBM that will phase out upon project start.

2. Analyse the current business processes and procedures in each court and perform a gap analysis between the current state of business processes within the courts and business processes which ICMS is bringing in a functional sense. It will ensure business process reengineering and adapting BPs to ICMS business logics and perform technical implementation of ICMS (including establishing roles and responsibilities for all court staff and authorizations).

3. In cooperation with the MOJ’s work group a gap analysis will be performed between the business processes and rules regulated by the current Book of Rules and the new possibilities introduced by ICMS (business processes, procedures and standardized court forms) and make recommendations for changes/amendments to the Book of Rules.

4. Develop and implement custom training programs for Key Users and Trainers, consisting of introduction of new business processes and procedures to the court staff; how to accept it, adjust their daily operations and use ICMS application.

Annexes to the Project Fiche:
Annex 1 – Logical framework matrix in standard format
Annex 2 – List of pilot Courts
Annex 3 – Indicative Implementation Chart
Annex 4 – Contracting and Disbursement Schedule
Annex 5 – List of Feasibility Studies, Financial Appraisals, EIAs etc
Annex 6 – Reference List of Legislation
Annex 7 – Reference to relevant Government Strategic Plan and Studies
Annex 8 - Ministry of Justice Timetable on the results to be achieved in the IT sector
<table>
<thead>
<tr>
<th>Support to Court Administration and Case Management Improvement</th>
<th>Programme name and number</th>
<th>PHARE 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Justice</td>
<td>Contracting period expires:</td>
<td>30.11.2008</td>
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<tr>
<td></td>
<td>Disbursement period expires:</td>
<td>30.11.2009</td>
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<tr>
<td></td>
<td></td>
<td>Total budget : € 3 Million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PHARE budget : € 3 Million</td>
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</table>

**Overall objective**
To contribute to the preparation process of Croatia for membership in the EU regarding the judiciary sector.
To support the reform of judiciary and enhance the administrative capacity of court system in Croatia.

**Objectively Verifiable Indicators**
- Croatia meets the (judicial reform) requirements to join the EU by the year 2010.
- An improved and more efficient function of the courts in Croatia:
- Increased judicial performances by at least 20% after 5 years from project end.
- Decreased average amount of case time lost due to administrative and organizational inefficiencies by at least 20% after 5 years from project end.

**Sources of Verification**
- Reports prepared by the Croatian Government, EU institutions, and International Organizations.
- Statistical data/reports generated by ICMS.
- (possible) Ex-post evaluation report.

**Assumptions**
- The Ministry of Justice will implement the Overall Strategy of the Reform of Judiciary without significant delays.
- Full support by the Ministry of Justice, Supreme Court and court authorities.
- The Government of Croatia has to provide sufficient financial resources under the National Budget for the implementation of the integrated case management system.

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>

The purpose of the project is to establish a more efficient court administration and case management system in all Croatian courts (building on the results of previous and ongoing EC and WB ICMS projects).

**Objectively Verifiable Indicators**
- Decrease average amount of case time lost due to administrative and organizational inefficiencies by at least 10% in first 5 pilot courts by project end.
- Increased number and quality of statistical parameters related to court case management.
- At least 75% of court staff using the ICMS system.

**Sources of Verification**
- Reports prepared by the MoJ, Court Authorities, EC and International Organizations
- Statistical data generated by ICMS.
- Project reports
- M&E reports
- Articles in newspaper or websites

<table>
<thead>
<tr>
<th>Program purpose</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
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- M&E reports
- Articles in newspaper or websites

**Assumptions**
- The Ministry of Justice will implement the Overall Strategy of the Reform of Judiciary without significant delays.
- Full support by the Ministry of Justice, Supreme Court and court authorities.
- The Government of Croatia has to provide sufficient financial resources under the National Budget for the implementation of the integrated case management system.
Result 1. - A reliable, efficient and sustainable system for management of cases in the courts and for general administration of the court system established.

Result 2. - The relevant by-laws (Book of Rules) revised/redrafted, adopted and implemented.

Result 3. - Increased administrative capacitive of court staff regarding the newly adopted court management system (new business processes, procedures and IT system)

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Cost</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Developing/improving the management and information system</td>
<td>One Service Contract</td>
<td>Service Contract: € 3 million</td>
<td>- Full support by the Ministry of Justice, Supreme Court and court authorities.</td>
</tr>
<tr>
<td>Component 2: Regulatory framework (Books of Rules)</td>
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<td></td>
<td>- Good coordination among the main stakeholders.</td>
</tr>
<tr>
<td>Component 3: Capacity building/training</td>
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<td>- Good implementation capacity of PIU</td>
</tr>
</tbody>
</table>

- Project Reports;
- Training Reports;
- Training Surveys;
- Minutes of meetings
- Steering Committee minutes
- Changes and Amendments of Book of Rules published on the Official Gazette;
- M&E reports
- Articles in newspaper or websites

- The Ministry of Justice will implement the Overall Strategy of the Reform of Judiciary without significant delays.
- Full support by the Ministry of Justice, Supreme Court and court authorities.
- The Government of Croatia has to provide sufficient financial resources under the National Budget for the implementation of the integrated case management system.
release court staff from daily duties to attend the training courses/capacity building activities.
- Trained staff remains in service.

**Preconditions:**
Enhanced donor coordination
MoJ clearly define the rationalization of the court network.
Successful completion of the WB “Court and Bankruptcy Administrative Project (ICMS)” and successful implementation of the component D of CARDS 2003 project on “Support to the reform of Croatian court system”-phase 2.
MoJ needs to ensure (a) equipped central location for the production of ICMS system (b) that sufficient staff exists in courts (c) to finance the phasing out of IBM (that is currently implementing the WB funded ICMS project in 4 pilot courts) so that IBM will transfer to the project the know on the newly established ICMS in pilot courts.
The MoJ PIU and IT department implementation capacity is considerably strengthened.
ANNEX 2: ICMS IMPLEMENTATION (ROLL OUT) PRIORITIES SUGGESTED TO BE COVERED BY PHARE 2006

INDICATIVE LIST

COMMERCIAL COURTS (equipped through CBAP project financed by World Bank)

Commercial court in Bjelovar
Commercial court in Dubrovnik
Commercial court in Karlovac
Commercial court in Osijek
Commercial court in Pazin
Commercial court in Rijeka
Commercial court in Sisak
Commercial court in Slavonski Brod
Commercial court in Šibenik
Commercial court in Varaždin
Commercial court in Zadar

COURTS TO BE EQUIPPED BY CARDS 2002

County court in Zagreb
County court in Osijek
County court in Rijeka

Municipal court in Osijek
Municipal court in Rijeka
Municipal court in Sv. Ivan Zelina

County court in Šibenik
County court in Dubrovnik
County court in Slavonski Brod
County court in Požega

Municipal court in Šibenik
Municipal court in Dubrovnik
Municipal court in Slavonski Brod
Municipal court in Požega
Municipal court in Sinj
Municipal court in Jastrebarsko
COURTS TO BE EQUIPPED BY CARDS 2003

MC Vukovar
MC Split
MC Zadar
MC Donji Lapac
MC Korenica
CC Zadar
CC Split
MC Đakovo
MC Županja
MC Bjelovar
MC Varaždin
MC Makarska
MC Krk
CC Bjelovar
CC Čakovec
CC Sisak
CC Koprivnica
CC Virovitica
CC Zlatar
CC Vukovar
CC Gospić
CC Karlovac
MC Čakovec
CC Varaždin
MC Sisak
MC Karlovac
CC Pula
MC Virovitica
MC Crikvenica
MC Rovinj
MC Pazin
MC Opatija
MC Ogulin
MC Metković
MC Pag
MC Knin
MC Đurđevac
MC Koprivnica
MC Krapina
MC Križevci
CC Velika Gorica

HIGH COMERCIAL COURT
SUPREME COURT
ANNEX 3: Indicative Implementation Chart by quarters

Support to Court Administration and Case Management Improvement

<table>
<thead>
<tr>
<th>Support to Court Administration and Case Management Improvement</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IV</td>
<td>I</td>
<td>II</td>
<td>III</td>
<td>IV</td>
</tr>
<tr>
<td>Contract N.1 - IB</td>
<td>T</td>
<td>C</td>
<td>I</td>
<td>I</td>
<td>I</td>
</tr>
</tbody>
</table>

Annex 4 – Contracting and Disbursement Schedule (PHARE funding only)

Cumulative contracting schedule by quarters in EUR (provisional)

<table>
<thead>
<tr>
<th>Support to Court Administration and Case Management Improvement</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>VI</td>
<td>I</td>
<td>II</td>
<td>III</td>
</tr>
<tr>
<td>Contract N.1 - IB</td>
<td></td>
<td>3 MEUR</td>
<td>3 MEUR</td>
<td>3 MEUR</td>
</tr>
</tbody>
</table>

CUMULATIVE TOTAL (EUR):

|                                                                   | 3 MEUR | 3 MEUR | 3 MEUR | 3 MEUR | 3 MEUR | 3 MEUR |

Cumulative disbursement schedule by quarters in EUR (provisional)

<table>
<thead>
<tr>
<th>Support to Court Administration and Case Management Improvement</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>VI</td>
<td>I</td>
<td>II</td>
<td>III</td>
</tr>
<tr>
<td>Contract N.1 - IB</td>
<td>600.000</td>
<td>600.000</td>
<td>600.000</td>
<td>1.300.000</td>
</tr>
</tbody>
</table>

CUMULATIVE TOTAL (EUR):

|                                                                   | 600.000 | 600.000 | 600.000 | 1.300.000 | 1.300.000 | 2.500.000 | 2.500.000 | 3.000.000 |
ANNEX 5 – REFERENCE TO FEASIBILITY/PRE-FEASIBILITY STUDIES.
-This project is the continuation of previous EC and WB funded initiatives to establish an ICMS system for the Croatian courts. Therefore, the project refers to the pre-feasibility studies/appraisals conducted during the identification/formulation phase of CARDS 2003 and 2004 programming exercises.
- Draft of recommendations of changes of Book of Rules from the World Bank Project

ANNEX 6 – LIST OF RELEVANT LAWS AND REGULATIONS
- Laws on Courts, Official Gazette 3/94, 100/96, 115/97, 131/97, 129/00, 67/01, 5/02, 101/03, 17/04
- Book of Rules, Official Gazette 100/96

ANNEX 7 – REFERENCE TO RELEVANT GOVERNMENT STRATEGIC PLANS AND STUDIES
- Overall Strategy of the Reform of Judiciary, September 2005

ANNEX 8 – MINISTRY OF JUSTICE TIMETABLE ON THE RESULTS TO BE ACHIEVED IN THE IT SECTOR

The Ministry of Justice of the Republic of Croatia has, through a number of projects, initiated an extensive program of performing informatization in order to achieve a more efficient performance of judicial system. It is imperative that informatization is performed with common goals within the judicial system, as well as common goals within the overall government administration toward the strategy for development of information and communication system of the Government of Republic of Croatia.

The main results (relevant to the proposed project) of the recently finished CARDS 2002 Project and the ongoing CARDS 2003 Projects are that 17 pilot courts in CARDS 2002 and 42 pilot courts in CARDS 2003 will be equipped with IT equipment.

The above courts and the commercial courts (13 courts) and other courts to be supported by the proposed project will remain operative after the rationalization of the court network. These courts are the MoJ priority for ICCMS (Integrated Court Case Management System) rollout.

Some pilot courts during 2006 and 2007 will be equipped with the LAN's (through the funding of CARDS 2002 project and MoJ own resources) and, in relationship with national project of interconnection between government agencies (RKMTDU), connected to the central location, Ministry of Justice.

Another relevant MoJ ongoing project is the reconstruction of building dedicated for IT use that will serve also as primary data centre location and by the January of 2007 it will be equipped with hardware equipment necessary for ICCMS (Integrated Court Case Management System) functioning.