



# Technical Assistance Report

---

Project Number: 38277  
August 2006

Republic of the Philippines: Enhancing the Autonomy,  
Accountability, and Efficiency of the Judiciary, and  
Improving the Administration of Justice  
(Financed by the Japan Special Fund)

Asian Development Bank

## CURRENCY EQUIVALENTS

(as of 14 August 2006)

Currency Unit	–	peso (P)
P1.00	=	\$0.0195
\$1.00	=	P51.22

## ABBREVIATIONS

ADB	–	Asian Development Bank
APJR	–	Action Program for Judicial Reform
CCAO	–	Central Court Administrative Office
CFMO	–	Central Financial Management Office
CFM	–	case-flow management
DBM	–	Department of Budget and Management
ICT	–	information and communication technology
LGU	–	local government unit
NJIS	–	National Justice Information System
NPS	–	National Prosecution Service
OCA	–	Office of the Court Administrator
OMB	–	Office of the Ombudsman
PMO	–	program management office
RCAO	–	regional court administrative office
SC	–	Supreme Court
TA	–	technical assistance
WG	–	pillars of justice working group

## TECHNICAL ASSISTANCE CLASSIFICATION

<b>Targeting Classification</b>	–	General intervention
<b>Sector</b>	–	Law, economic management, and public policy
<b>Subsectors</b>	–	Law and judiciary, national government administration, public finance and expenditure management
<b>Theme</b>	–	Governance
<b>Subthemes</b>	–	Public governance, anticorruption

## NOTE

In this report, "\$" refers to US dollars.

<b>Vice President</b>	C. Lawrence Greenwood, Jr., Operations Group 2
<b>Director General</b>	R. Nag, Southeast Asia Department (SERD)
<b>Director</b>	J. Ahmed, Governance Finance and Trade Division, SERD
<b>Team leader</b>	D. Kertzman, Senior Legal and Financial Sector Specialist, Governance, Finance and Trade Division, SERD
<b>Team member</b>	J. Balbosa, Programs Coordination Specialist, Philippine Country Office, SERD

## I. INTRODUCTION

1. The Government of the Philippines adopted the 6-year Action Plan for Judicial Reform (APJR) in November 2000 to strengthen judicial independence, effectiveness, and efficiency.<sup>1</sup> In 2001, the Asian Development Bank (ADB) provided technical assistance (TA) to the Government to meet these same objectives.<sup>2</sup> The recommendations under the ADB TA led the Supreme Court (SC) to adopt several key reform initiatives, including actions to improve and decentralize its administrative and financial operations. Subsequently, in response to the Government's concerns that the judicial reforms would not be as effective if the other pillars of justice were not improved as well, the SC oversaw the formation of a new working group (WG) comprising representatives from four of the five pillars of justice (judiciary, police and law enforcers, prosecutors and public defenders, and corrections system)<sup>3</sup> to broaden the reform agenda, and agreed to chair the WG.

2. During the 2005 Country Strategy and Programming Mission, the Government asked ADB to prepare a medium-term reform program for governance and the judicial sector and to develop a longer-term program for the justice sector in coordination with other development partners. The new program, along with a new TA, was included in the 2005–2007 Philippine country strategy and program (CSP) and confirmed at the 7 March 2006 CSP confirmation meeting. The Government requested the prompt processing of the new TA to allow the SC to begin implementing reforms in the judiciary's fiscal and administrative operations during the term of the current chief justice of the SC, who will retire at the end of 2006. The Government also requested an expansion in the scope of the TA to include improvements in the administration of justice. The Fact-Finding Mission in April 2006 reached an understanding with the Government on the purpose, output, methodology and key activities, cost estimates, and implementation arrangements for the TA.<sup>4</sup> The TA logical framework is in Appendix 1.

## II. ISSUES

3. A more trustworthy, effective, and well-governed justice system is predicated on (i) an independent, accountable, and efficient judiciary; and (ii) effective law enforcement. With ADB's support, the Philippines has demonstrated significant leadership in developing and implementing a comprehensive judicial reform agenda under the APJR. However, capacity and budgetary constraints have slowed the pace of reforms. Moreover, the impact of such reforms depends on the effectiveness of other pillars of justice and other government law enforcement agencies,<sup>5</sup> which in turn depend on strong political will to apply the law consistently.

4. **Fiscal and Administrative Autonomy of the Judiciary.** Although the Philippine Constitution mandates fiscal autonomy for the judiciary, fulfilling this constitutional mandate has been a challenge. Judiciary operations are funded primarily from the national budget.<sup>6</sup> A one-line ceiling provided by the Department of Budget and Management (DBM) determines the details of the proposed annual budget of the judiciary. However, the release of allotments and cash and the reallocation of budget details are subject to overall national government priorities, spending regulations applied to other government agencies without fiscal autonomy, and DBM review and approval.

---

<sup>1</sup> Supreme Court. Republic of the Philippines. 2001. *Action Program for Judicial Reform 2001–2006* (with supplement).

<sup>2</sup> ADB. 2001. *Technical Assistance to the Republic of the Philippines for Strengthening the Independence of the Judiciary (Financed from the Japan Special Fund and Cofinanced by the Government of Japan)*. Manila (TA 3693-PHI).

<sup>3</sup> The fifth pillar of justice is the community. The proposed TA focuses only on the first four pillars.

<sup>4</sup> The TA first appeared in *ADB Business Opportunities* on 30 May 2006.

<sup>5</sup> In addition to the four pillars of justice, about 23 national government agencies perform quasi-judicial functions and 34 have law enforcement functions.

<sup>6</sup> The Constitution provides that the judiciary's budget cannot be reduced in absolute terms, but the judiciary's share in the national budget has declined from 1.2% in 1998 to less than 1% in 2004.

5. National budget allocations are augmented by the Judicial Development Fund, which comprises court fees and other revenues collected by the court and contributions from local government units (LGUs), made at the discretion of local executives. There are no reliable data on the amount or type of resource contribution of LGUs. Under the ADB TA, a formula, based on local government ability and willingness to contribute, was developed to systematize LGU contributions and make them nonnegotiable.

6. There is currently no-judiciary-wide resource management perspective. The budget of the appellate and special courts continues to be controlled by the DBM, while the administrative and financial management functions of the more than 2,000 lower courts are managed centrally by the Office of the Court Administrator (OCA). Centralized administration is inefficient and promotes further dependence on LGU funding. For example, lower-court requests for funds to make building repairs, replace equipment, or pay utility bills must be submitted to and processed by the OCA. The backlog of requests results in long delays in payment and often the suspension of key services. To fill gaps in funding, lower courts are often forced to seek alternative assistance from LGUs.

7. To enable the SC to exercise fiscal autonomy, assume core administrative and financial management functions, and improve accountability and the delivery of services to the courts, the new administrative structure, systems, and functions developed under the ADB TA and approved by the SC in April 2004 must be implemented. Under the reform program, administrative and financial operations will be decentralized to the SC, appellate and special courts, the Philippine Judicial Academy, the Judicial and Bar Council, and the OCA. A Central Court Administrative Office (CCAO) responsible for administrative oversight and a Central Financial Management Office (CFMO) responsible for financial oversight of these decentralized units will be created. Core administrative and financial management functions for the lower courts will be further decentralized to between 13 and 19 regional court administrative offices (RCAOs) for all trial courts in the region.

8. The SC would like to set up the new CCAO and CFMO and a pilot RCAO at the same time. The SC has chosen Region 7, which has 146 lower courts administratively organized into 89 lower-court stations, for the pilot RCAO to take advantage of synergies with the World Bank Judicial Reform Support Project, which is setting up a model hall of justice in the region.<sup>7</sup> But before the new structure can be established, a detailed administrative structure, and staffing and operating procedures must be prepared and operationalized, and related capacity-building and change management processes must be developed and implemented.

9. **Delays in the Administration of Justice.** Delays in the administration of justice can be attributed to constraints in the judiciary and other pillars of justice. In the judiciary, case congestion (backlog) and delay in case processing violates the litigants' rights to a speedy trial and erodes public confidence in the courts. Philippine courts continue to be saddled by case backlog, and the docket clearance rates of judges is only 40–45%. Studies made under the APJR revealed that up to 33% of pending cases continue to be delayed and generally remain open after 2 years. The SC therefore drew up a Case Decongestion and Delay Reduction Strategy (2003) under the APJR. A related study showed the need for case-load management reforms and a monitoring framework to track judicial efficiency in this area. Hence, also under the APJR, the SC developed a case-flow management system (CFM) in Pasay, which is now being evaluated before being implemented nationwide. A team of judges, who have successfully developed similar systems in their own courts, are supporting the SC in enhancing the pilot project.

---

<sup>7</sup> The project, funded with a loan from the World Bank, provides financing for the implementation of a package of reforms, including the development and pilot implementation of computerized integrated administrative and financial management systems designed under the ADB TA and to be detailed under the proposed TA. Pilot implementation will cover a pilot court (Lapu Lapu), Region 7 RCAO, CCAO, and CFMO, to enable the vertical integration of the new systems.

10. The APJR studies also reviewed the effectiveness of other measures intended to speed up the administration of justice, including the Katarungang Pambarangay (Barangay Justice System, or BJS). Philippine law requires disputing parties to resort to the BJS before lodging a complaint in court and imparts the full force and effect of a final court judgment to amicable settlements under BJS, unless they are repudiated in court within 10 days of being handed down. However, settlements reached through the BJS are often not enforced and the issues discussed in the settlement are brought once again before the courts. Judges have no effective way of ensuring that cases filed before them have previously been settled or have undergone settlement proceedings through the BJS.

11. A related study also identified the need to address issues related to the effectiveness and efficiency of the other pillars of justice to maximize the benefits of strategies to decongest case load and reduce delays. The effectiveness and efficiency of prosecutors were identified by the study as important in this regard. However, without systematic case management, including the management of case documents, it is difficult for the National Prosecution Service (NPS) of the Department of Justice and the Office of the Ombudsman (OMB) (for prosecutors it deputizes) to track the status of probable-cause cases (preliminary investigations) handled by prosecutors. In addition, limited access to research materials undermines the ability of the NPS and the Court of Tax Appeals (CTA) to prepare and try cases. Moreover, new prosecutors working in the NPS are not given regular training and must learn on the job. Other prosecutors are trained ad hoc. Thus, prosecutors may lack the requisite skills to prepare specific types of cases.

12. While the SC has taken commendable steps to increase judicial efficiency by introducing information and communication technology (ICT), including an electronic library, CFM software, and e-payment systems, because of the limited funds available for capital outlays, most courts still lack Internet access and thus cannot use the e-library or submit reports to the SC electronically.

13. Poor coordination and collaboration among the four pillars of justice, especially in information sharing, also delays the administration of justice. Core information about persons who have been accused, detained, or convicted is often not readily available. Gaps in the accuracy of required information often go undetected, resulting in incomplete files. Processes for collecting, storing, retrieving, and sharing information often differ, resulting in duplicative collection, inconsistencies in information collected, and delays in retrieval.<sup>8</sup> Privacy and security of information are also concerns.

14. **Long-Term Strategy for the Justice Sector.** The implementation of APJR reforms will be evaluated shortly by the SC. The results of the evaluation will be used to update priorities and focus and reprogram resources toward the full implementation of the reforms. A proposed road map for integrated justice sector reforms, based on the recommendations of earlier studies, was prepared recently. The recommendations resulting from the evaluation of the APJR need to be reconciled with this road map and the implementation issues (capacity and funding constraints) need to be clearly identified and understood so that the reform priorities can be set.

### III. THE TECHNICAL ASSISTANCE

#### A. Impact and Outcome

15. The TA will promote a more trustworthy, efficient, and well-governed justice system that more effectively upholds the rule of law. Through its outputs, the TA will strengthen judicial autonomy, accountability and efficiency, and improve the administration of justice.

<sup>8</sup> For example, there is no integrated system with data on arrest warrants and convictions that have been issued by the judiciary. The National Bureau of Investigation, which prepares clearances, only analyzes information that is provided to it. Not all courts report this information to the bureau. Thus, those who want to check whether a particular person has a criminal record may need to go directly to the courts.

## B. Methodology and Key Activities

16. The TA will focus on three key reform areas:

- (i) **Fiscal and administrative autonomy of the judiciary.** The TA will support the implementation of the judiciary's new administrative and fiscal structure by assisting in developing and implementing (a) the detailed structure, staffing, and operating procedures and systems for the new CCAO, CFMO, and a pilot RCAO in Region 7, along with related capacity-building and change management support; and (b) a new accountability system within the decentralized framework, including an integrity unit within the pilot RCAO. The TA will also support the pilot implementation in Region 7 of the formula standardizing LGU contributions to the judiciary.
- (ii) **Administration of justice.** The TA will help improve the overall management of information coming from all pillars of justice, to increase efficiency and accountability (in the work of the judiciary, to start with), by developing the framework for a national justice information system (NJIS) and the related ICT framework. The TA will identify the core information needs and develop business processes to facilitate the collection, storage, retrieval, and sharing of core information, while addressing security and privacy concerns. It will also assist in (a) implementing the CFM for the judiciary in Region 7, (b) developing business processes and systems to integrate the BJS into the judicial process in Region 7, (c) improving communications and connectivity among the courts by providing Wi-Fi antennas in courts with adequate information technology infrastructure, (d) giving the judiciary and NPS better access to research materials needed to develop cases (Web-based), and (e) developing a case management system to track the status of probable-cause cases assigned to prosecutors, including prosecutors deputized by the OMB to handle cases of corruption. The TA will assist as well in developing a sustainable capacity development strategy for prosecutors, including funding options.
- (iii) **Long-term strategy for the justice sector.** The TA will focus on facilitating agreement on a uniform approach to reform in the justice sector in close coordination with other development partners. To this end, it will (a) assess strategic long-term frameworks that have been prepared for the sector, (b) review related initiatives of other development partners, (c) facilitate agreement with the Government and other development partners on the reform agenda, (d) develop short- and long-term strategic funding initiatives and prioritize and cost specific investments, (e) determine the appropriate timing and sequencing of various actions and clarify implementation arrangements, and (f) develop a performance monitoring system that includes benchmarks and indicators to track progress in implementation.

## C. Cost and Financing

17. The total cost of the TA is estimated at \$1.15 million equivalent. The Government has requested ADB to finance \$800,000 equivalent. The TA will be funded on a grant basis by the Japan Special Fund, funded by the Government of Japan. The Government will finance the balance of \$350,000 by providing office accommodations, remuneration and per diem of staff, conference and training facilities, and equipment and furniture for new offices. (See Appendix 2 for the proposed Table of Cost Estimates).

#### **D. Implementation Arrangements**

18. SC will be the Executing Agency (EA) for the TA and the SC program management office (PMO), NPS, and OMB will be the Implementing Agencies (IAs). The WG, chaired by the PMO, will oversee the implementation of the NJIS component, in close coordination with other justice sector agencies. The Outline Terms of Reference for Consultants (Appendix 3) gives the specific tasks to be overseen by each IA, the support to be given to other pillars of justice, and the role of the WG.

19. The TA will start in August 2006 and end in October 2007. It will have two components: component A will focus on reforms relating to the fiscal and administrative autonomy of the judiciary, and component B will deal with reforms in the administration of justice and the long-term strategy for the justice sector. A total of 76 person-months of consulting services—10 person-months of international consultants and 66 person-months of national consultants—will be required to implement the reform activities.

20. Component A will require 39 person-months of national consultants: a fiscal and administrative reform expert and coordinator (5 person-months), and experts in budgeting systems (6 person-months), financial management systems (4 person-months), revenue management systems (8 person-months), physical assets management (4 person-months), human resource development (7 person-months), and organizational development (5 person-months). Component B will comprise 10 person-months of international consultants and 27 months of national consultants. The international consultants will be the team leader and justice sector reform expert (5 person-months) and experts in case management (2 person-months) and justice information systems (3 person-months). The domestic experts, on the other hand, will have expertise in case management (3 person-months), case management systems and process reengineering (5 person-months), justice information communications technology (5 person-months), information systems (2 person-months), legal and judicial reform (8 person-months), training (2 person-months), and poverty reduction (2 person-months). (Outline terms of reference for all of these consultants are in Appendix 3).

21. Consistent with sections 2.29–2.32 of ADB's *Guidelines on the Use of Consultants*, CPRM Consultants, Inc., which was hired for TA 3693-PHI (footnote 2), will also be hired to implement component A, according to ADB's single-source selection method, to ensure continuity and consistency. The members of the consulting team, who performed very well under the previous TA, are already familiar with the judiciary's new fiscal and administrative structure through their work in developing and assisting the SC in adopting the reforms, and have an excellent relationship with the SC and the affected agencies within the SC. They are therefore best placed to continue their work under this TA. Single-source selection would also enable the implementation of key reforms during the term of the present chief justice, as he has requested. The consultant to be directly selected will prepare a bio-data technical proposal and a financial proposal.

22. In component B, the consultants will be recruited through a firm through the quality- and cost-based selection method and on the basis of a simplified technical proposal. All consultants will be selected and hired by ADB according to ADB's *Guidelines on the Use of Consultants*.

#### **IV. THE PRESIDENT'S DECISION**

23. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$800,000 on a grant basis to the Government of the Philippines for Enhancing the Autonomy, Accountability, and Efficiency of the Judiciary, and Improving the Administration of Justice, and hereby reports this action to the Board.

## DESIGN AND MONITORING FRAMEWORK

<b>Design Summary</b>	<b>Performance Targets/Indicators</b>	<b>Data Sources/ Reporting Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>Impact</b> A more trustworthy, efficient, and well-governed justice system that more effectively upholds the rule of law</p>	<p>Shorter period from case filing to resolution</p> <p>Improved public perception of the judiciary and justice sector</p> <p>Successful criminal prosecution of cases of tax evasion and corruption</p>	<p>PMO reports</p> <p>Annual report of the SC</p> <p>SC judicial independence indicators (developed by the American Bar Association)</p> <p>Public surveys</p>	<p><b>Assumptions</b> Macroeconomic and political stability</p> <p>Continued commitment and participation of justice sector agencies and local government units in justice sector and governance reforms</p> <p>Participation of civil society and other stakeholders</p> <p><b>Risks</b> Poor coordination among pillars of justice</p> <p>Lack of funds for reform agenda</p> <p>Lack of capacity and slow pace of reforms in human resource management</p> <p>Leadership changes</p>
<p><b>Outcome</b> More autonomous, accountable, and efficient judiciary, and improved administration of justice</p>	<p>Quicker response to financial and administrative needs of the courts</p> <p>Less case congestion</p>	<p>PMO and SC reports</p> <p>ADB reports and reviews</p>	<p><b>Assumptions</b> Continued ownership of reforms and leadership in their implementation</p> <p>Proactive and reform-minded PMO</p> <p>Government able to recruit and retain competent staff</p> <p>Timely provision of resources for capacity building and institutional development</p> <p><b>Risk</b> Justice sector agencies unwilling to implement reforms at the same time</p>

<b>Design Summary</b>	<b>Performance Targets/Indicators</b>	<b>Data Sources/ Reporting Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>Outputs</b></p> <p>1. Fiscal and administrative autonomy of the judiciary  2. Improved administration of justice  3. Long-term strategy for the justice sector</p>	<p>Timely delivery of milestones listed below under activities</p>	<p>Work plans and reports  Stakeholder consultations and surveys    ADB reports and review missions</p>	<p><b>Assumption</b>  Government commitment to reforms</p> <p><b>Risks</b>  Inadequate funding for implementation of reforms (redundancy payments, IT systems)</p> <p>Weak absorptive capacity of the judiciary to implement administrative and fiscal reforms</p>
<p><b>Activities and Milestones</b></p> <p>1.1 Action plan for putting into effect the new fiscal and administrative structure of the judiciary, including related business processes and policies and plans for the nationwide replication of RCAO  1.2 Related manuals (budgeting, revenue management, physical assets management, financial accounting, cash management, human resource development), organization and staff change management plans, and related training  1.3 Procedures for implementing new formula for local government contributions to the judiciary, related business processes and policies, and plans for nationwide replication</p> <p>2.1 Action plan for implementing judiciary's case-flow management system in Region 7, and assistance in the implementation  2.2 Manuals and business processes for more effective integration of Barangay Justice System into the judicial process  2.3 Review of interconnectivity of the courts and provision of Wi-Fi antennas  2.4 Case management system for tracking probable cause cases filed with prosecutors, including prosecutors deputized by the Office of the Ombudsman  2.5 Sustainable capacity development strategy for prosecutors  2.6 Assessment of research needs of the Court of Tax Appeals and National Prosecution Service, and development of recommendations to enhance access to research  2.7 Information system and ICT framework plan for a National Justice Information System</p> <p>3.1 Strategy for the justice sector, and program logical framework</p>			<p><b>Inputs</b></p> <p>ADB TA</p> <p>Support from other development partners</p> <p>Government counterpart funding</p> <p>Executing Agency implementation of project performance management system</p>

ADB = Asian Development Bank, IT = information technology, PMO = program management office, RCAO = regional court administrative office, SC = Supreme Court, TA = technical assistance.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Total Cost
<b>A. Asian Development Bank (ADB) Financing<sup>a</sup></b>	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	230.0
ii. National Consultants	320.0
b. International and Local Travel	60.0
c. Reports and Communications	15.0
2. Equipment <sup>b</sup>	40.0
3. Workshops and Conferences <sup>c</sup>	50.0
4. Miscellaneous Administration and Support Costs	10.0
5. Contingencies	75.0
<b>Subtotal (A)</b>	<b>800.0</b>
<b>B. Government Financing</b>	
1. Office Accommodation and Training Facilities	70.0
2. Remuneration and Per Diem of Counterpart Staff	125.0
3. Equipment and Furniture for New Offices	155.0
<b>Subtotal (B)</b>	<b>350.0</b>
<b>Total</b>	<b>1,150.0</b>

<sup>a</sup> Financed by the Japan Special Fund, funded by the Government of Japan

<sup>b</sup> Includes Wi-Fi antennas for up to 1,000 courts.

<sup>c</sup> Workshops and conferences with stakeholders will focus on (i) implementation of the new financial and administrative structure of the judiciary, (ii) development of the National Justice Information System, and (iii) development of the strategy for the justice sector.

Source: ADB estimates.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

### A. Component A: Fiscal and Administrative Autonomy of the Judiciary

1. **Domestic Fiscal and Administrative Reform Expert and Coordinator** (5 person-months). This consultant shall have significant experience in judicial reform and public administration, public financial management, and administrative and organizational reform, and shall be responsible for coordinating the implementation of reforms relating to the fiscal and administrative autonomy of the judiciary. He or she shall

- (i) Supervise the consultants and consultant deliverables and prepare integrated inception, quarterly, and draft final and final reports, under this component. Ensure close coordination with the Supreme Court (SC) program management office (PMO), the international judicial reform expert and team leader, and other development partners.
- (ii) Advise and assist the SC on related policy considerations, institution-based negotiations, legal requirements, and implementation of the objective formula for local government unit (LGU) support to the judiciary including the development of a mechanism for the provision, collection, and accounting for that support, pilot-testing of the formula in Region 7, and development of a strategy for nationwide replication. Develop recommendations for a framework, related processes, procedures, and system for an integrity unit within the pilot regional court administrative office (RCAO).
- (iii) In close coordination with the PMO, organize workshops to disseminate recommendations and facilitate consensus in the adoption of reforms.

2. This component will also require 17 person-months of national consulting services, consisting of a budgeting system expert (6 person-months), financial management systems expert (4 person-months), revenue management systems expert(s) (8 person-months), physical assets management expert (4 person-months), and human resource development experts (7 person-months) under the supervision of the fiscal and administrative reform expert and coordinator, to assist the SC in putting into operation the new Central Court Administration Office (CCAO), Central Financial Management Office (CFMO), and pilot RCAO, including the related administrative and financial management systems (budgeting, revenue management, financial accounting, physical assets management, human resources development, and cash management). These experts shall each have at least 5 years' relevant experience in public administration and financial management, shall be familiar with the judiciary's operations, and shall work in their respective areas in close coordination to ensure synchronized systems and policies. Each expert shall

- (i) In consultation with relevant decision makers in the judiciary and pertinent agencies in the executive branch, review current administrative and financial policies of the judiciary and recommend changes to support the new organizational structure. Detail the approved systems and procedures, develop office manuals, and prepare draft implementation instruments for the systems and procedures. Formulate a change management program for the implementation of the new and revised policies, processes, and systems, including a user training program on the new system at oversight and pilot decentralized levels. Develop monitoring and evaluation indicators for the budgeting system and assist pilot units in their application. Oversee the installation of new policies, processes, and systems and work closely with the judiciary in implementation.
- (ii) Prepare periodic progress or accomplishment and other reports and submit these reports to the fiscal and administrative reform expert.

- (iii) The budgeting systems experts shall also assist in the (a) development of the judiciary's medium-term expenditure program; (b) formulation of the judiciary's first total resource budgeting system, budget preparation policies and guidelines, and the first judiciary budget of expenditures and sources of financing (BESF); and (c) operation of the new budget preparation, budget execution, and budget monitoring and accountability systems of the RCAO.
  - (iv) The financial management systems expert shall also assist in the (a) development and implementation of the annual cash program, (b) operation of the financial accounting system, and (c) conduct of financial analysis and production of periodic financial reports by the pilot RCAO and CFMO.
  - (v) The revenue management systems expert(s) shall also assist the (a) pilot RCAO in facilitating agreement with LGUs for the adoption of an objective formula and remittance procedures for LGU contributions to the lower courts, (b) SC in reviewing and updating legal fees and charges, (c) SC in identifying and generating new revenue sources, (d) CFMO in formulating a medium-term revenue program for the judiciary including the first BESF, (e) pilot RCAO in operating the new revenue management system, and (f) CFMO and pilot RCAO in conducting the first revenue audit.
  - (vi) The physical assets management expert shall also assist (a) the CCAO in reviewing and updating physical assets standards for the courts, (b) the CCAO and RCAO in conducting an inventory of assets and equipment, and (c) pilot RCAO in developing a maintenance schedule, arrangements for determining the court ownership of LGU-provided physical assets and the execution of appropriate positive actions, and (d) in the formulation of the first medium-term and annual plan for physical assets procurement.
  - (vii) The human resource development experts shall also assist in the (a) development of a career development plan for nonjudicial personnel, (b) development and implementation of performance indicators and a performance monitoring and evaluation system for judges and nonjudicial personnel, (c) review and update of personnel incentives and rewards system, (d) improvement of personnel benefits and services for court personnel in the pilot RCAO, (e) conduct of a personnel audit, (f) review and improvement of the personnel discipline system, (g) assessment of staffing requirements of the courts in the context of decentralization, and (h) development of a staffing development plan for the implementation of the decentralization program, in consultation with judiciary personnel and management.
3. A domestic organization development expert (5 person-months) shall assist the SC in detailing, testing, implementing, and putting into operation the administrative structure of the CCAO, CFMO, and the pilot RCAO as approved en banc by the SC. This expert shall have at least 5 years' experience in public organization structure design and judicial reform. He or she shall
- (i) Define the organizational and operational framework of the new CCAO, CFMO, and pilot RCAO and their relationship and integration with the overall administrative structure of the judiciary, which will operate within the current organizational framework during the transition period.
  - (ii) Define the operational scope of the administrative and financial management functions of the judiciary, in the context of fiscal autonomy, in consultation with relevant agencies of the executive branch and the SC.
  - (iii) Detail the functional vertical compartmentalization of administrative and financial management functions and the internal functional configuration and interorganizational functional relationships of the approved administrative structure down to the first level of supervision, to guide the detailing of the various administrative and financial management systems. Formulate an organization development plan, including definition and implementation of the new administrative

structure and internal functional changes, and changes in competency requirements, to support the full implementation of the fiscal and administrative reforms in the judiciary.

- (iv) Develop an overall change management framework and processes in close coordination with other domestic experts, and formulate a multiyear change management plan for the eventual full implementation of decentralization and fiscal autonomy reforms. Provide advice and assistance to the SC in the identification and assessment of implementation risks, formulation of risk management measures, and implementation and management of the change management process, including advisory assistance in formulating and recommending policies, criteria, and specific procedures for the redeployment of personnel in the new administrative and decentralized structure. Facilitate consensus between management and judiciary employees to achieve smooth transition to the new setup.
- (v) Assist the SC in formulating and recommending policies, and in implementing strategies and specific procedures related to the interim organizational arrangements for the financial and administrative operation of court stations in non-pilot regions, and the personnel in central offices that will not be part of the newly established oversight offices. Assist the CCAO and pilot RCAO in developing and applying indicators for monitoring and evaluating the judiciary's institutional performance.
- (vi) Prepare periodic progress or accomplishment and other reports and submit these to the fiscal and administrative reform expert and coordinator.

## **B. Component B: Improved Administration of Justice and Long-Term Justice Sector Development Strategy**

4. **International Team Leader and Justice Sector Reform Expert** (5 person-months). This expert shall oversee the implementation of component B and be responsible for developing and implementing recommendations to enhance access to research materials, and for developing a long-term strategy for the justice sector. The expert shall have significant experience in justice sector reforms, including the development of approaches to reform, program development, and coordination among development partners. He or she shall

- (i) Supervise the national case management, case management systems and process engineering, training, and poverty reduction experts. The team leader and justice sector reform expert shall develop detailed terms of reference and related work plans for these other experts and review their deliverables. The expert shall also oversee the preparation of inception, quarterly, and draft final and final reports, including the integration of consultant reports in this component.
- (ii) Coordinate with the PMO, the National Prosecution Service (NPS), the Office of the Ombudsman (OMB), the national fiscal and administrative reform expert and coordinator, and other development partners to ensure close coordination in, and strong ownership of, reform initiatives.
- (iii) Review proposals for long-term reforms in the justice sector, the Action Program for Judicial Reform (APJR), and ongoing development partner initiatives in the justice sector, and synchronize funding agency initiatives and contributions in developing a long-term program for the sector. In close coordination with the PMO and pillars of justice working group (WG), develop a draft sector wide program framework, define the program focus and priorities, and formulate the program logical framework, policy matrices, and related expenditure needs to fund the reform agenda. Develop a program monitoring and performance evaluation mechanism, including indicators and benchmarks to track and review the progress in program implementation.
- (iv) Assist the PMO, WG, and ADB in obtaining consensus among development partners and the Government on the reform agenda, and develop short-term and

long-term strategic funding initiatives, as well as the program structure and its lending and technical assistance components as may be necessary. In close coordination with the PMO and with support from the domestic legal and judicial reform expert, organize workshops to facilitate consensus among key stakeholders, including development partners, on the long-term justice sector strategy.

- (v) In coordination with the domestic legal and judicial reform expert, review research materials available to the judiciary (with a focus on the Court of Tax Appeals) and the NPS in key priority areas, and identify gaps in available information. Review the need for access to an internet service provider that includes the relevant US laws and cases. If recommending access to such a provider, arrange for access for 1 year, during which use of the service can be monitored to clarify whether the service should be continued. Also review the possibility of arrangements with Philippine and US law schools for training to address key legal research gaps. Supervise the domestic training expert in developing a sustainable capacity development strategy for NPS prosecutors.

5. **International Case Management Expert** (2 person-months). This expert shall assist the judiciary and other pillars of justice in developing and implementing case-load management processes and systems. He or she shall have significant experience in developing and implementing case management systems for judiciaries and other pillars of justice in developed markets and in providing related capacity-building services. This expert shall have the following tasks:

- (i) **Case-load management reforms.** In coordination with the team leader, (a) develop detailed terms of reference and related work plans for the domestic case management expert and case management systems and process reengineering expert (collectively, case management experts) and oversee the implementation of their work plans, (b) supervise the case management experts in the implementation of business processes and procedures to support the judiciary's case-flow management system (CFM) in Region 7 courts, and (c) develop and assist the domestic experts in the development of related court performance indicators to track progress in case decongestion and delay reduction.
- (ii) **Barangay Justice System in Region 7.** To more effectively integrate the Barangay Justice System (BJS) in Region 7 into the judicial process, (a) supervise domestic case management experts and the domestic legal and judicial reform expert in the preparation, implementation, and analysis of a survey on the use of the BJS in Region 7 (identify the number of local disputes subject to BJS mediation that were later refiled in the courts, and local disputes that were filed in the courts but were dismissed for failure to seek mediation through the BJS); and (b) oversee the development of new business processes and procedures for more effective integration of the BJS into judicial processes in Region 7 to allow more efficient tracking of the status of these disputes.
- (iii) **Case management system for NPS and OMB.** In coordination with the domestic legal and judicial reform expert and the case management experts, develop case management processes and procedures for probable-cause cases handled by prosecutors, to enable the NPS and OMB to track the status of cases, including their resolution.
- (iv) Submit progress reports to the team leader on the status of implementation of the work plans.

6. **International Justice Information Systems Expert** (3 person-months). This consultant will be responsible for developing the framework for a new National Justice Information System (NJIS). He or she shall have relevant experience in the development and implementation of justice information systems in developed markets, business process reengineering, information systems

(IS) functional and user requirements definition, ICT procurement planning, and ICT project management. He or she shall:

- (i) Develop detailed terms of reference and related work plans for the domestic justice information communications technology expert and information systems expert (collectively, IT experts) and supervise the implementation of their work plans.
- (ii) Develop a methodology to enable the IT experts and the legal and judicial reform expert to assess the current information systems within each pillar of justice (information systems strategic plans and their implementation) and related institutional capacities. The assessment shall also focus on the core information needs of each pillar. Review the assessment and recommend ways of addressing perceived gaps. The recommendations should reflect relevant international experience and best practices in the development and implementation of justice information systems.
- (iii) With the support of the IT experts, (a) develop the NJIS framework, identifying key information systems and their functionalities, strategic databases, and data-sharing functions across the pillars and the ICT infrastructure framework; and (b) assess change management requirements and develop an implementation scheme, as well as a change management framework for the NJIS, considering the absorptive capacity of the implementing institutions. Supervise the IT experts in defining the institutional capacities and specific organizational arrangements (functions, structures, competencies, staffing, linkages) needed to implement, manage, and maintain the NJIS. With the support of the IT experts, prepare a report detailing the proposed NJIS, including the change management requirements, implementation plan, and change management framework, policies, and standards for the successful implementation and maintenance of the NJIS; present the proposal to the pillars of justice working group (WG); obtain feedback; and make the appropriate revisions.
- (iv) With the support of the PMO, organize workshops to develop related capacity and facilitate consensus on the NJIS.
- (v) Submit progress reports to the team leader on the status of work plan implementation.

7. **Domestic Case Management Expert** (3 person-months) and **Domestic Case Management Systems and Process Reengineering Expert** (5 person-months). These experts shall each have at least 5 years' experience in business reengineering and ICT development and be familiar with justice sector operations. These experts will work closely together (i) in the rollout of caseload management reforms in Region 7; (ii) preparation of a survey on the use of the BJS in Region 7, and implementation and analysis of survey results; (iii) development of new related business processes and procedures; (iv) development of a new case management system for the NPS and OMB; and (v) assistance to the international case management expert in organizing related workshops. A more detailed work plan and terms of reference will be developed by the international case management expert.

8. **Domestic Justice Information and Communications Technology Expert** (5 person-months) and **Domestic Information Systems Expert** (2 person-months). These experts shall each have at least 5 years of relevant experience in the development of enterprise information systems, business process reengineering, and ICT planning and design. They shall work under the supervision of the international justice information system expert and shall assist in the design of the NJIS system architecture. They will assess the business processes and business process reengineering of the key agencies of the pillars of justice and ensure systems readiness for computerization. They will review and, if not available, develop the information system architecture of the relevant agencies of the pillars of justice. They will also define the scope of the NJIS and the functionalities of its information systems. The international justice information systems expert shall provide more detailed terms of reference for these experts.

9. **Domestic Legal and Judicial Reform Expert** (8 person-months). This expert shall be a lawyer with at least 5 years' experience and be familiar with the operations of the Philippine justice sector, as a result of having worked on related reform initiatives. This expert shall be primarily responsible for assisting the international justice sector reform expert and other international experts on issues relating to the related legal framework and institutions in the Philippines. In coordination with other international experts, the international justice sector expert will develop more detailed terms of reference for this expert.

10. **Domestic Training Expert** (2 person-months). This expert shall have at least 5 years of relevant experience in the design and implementation of capacity-building strategies and programs, particularly in the justice sector, and related experience in training, teaching, capacity building. He or she should have a background in law and capacity building and be experienced in criminal litigation. This expert shall assess the capacities of prosecutors in the NPS, identify gaps in capacity, and propose a training strategy to fill those gaps, including funding options, and implement several short-term training modules. He or she will work under the supervision of the international team leader and the justice sector reform expert.

11. **Domestic Poverty Reduction Expert** (2 person-months). This expert shall have at least 5 years' experience in assessing the impact of public sector programs on poverty. He or she shall analyze the impact of the APJR on the poor and the expected impact of proposed TA interventions. Using the ADB Handbook as a guide, this expert shall develop methodologies and tools and provide capacity development to SC in the conduct of poverty impact assessment on justice sector reforms. This expert shall work in close coordination with the team leader and the domestic legal and judicial reform expert.