



## 1. Project Data

**Project ID**

P110752

**Project Name**

PE Justice Services Improv. II

**Country**

Peru

**Practice Area(Lead)**

Governance

**L/C/TF Number(s)**

IBRD-79690

**Closing Date (Original)**

30-Sep-2015

**Total Project Cost (USD)**

30,000,000.00

**Bank Approval Date**

18-Nov-2010

**Closing Date (Actual)**

30-Jun-2016

**IBRD/IDA (USD)**

**Grants (USD)**

Original Commitment

20,000,000.00

0.00

Revised Commitment

19,999,848.00

0.00

Actual

19,999,848.00

0.00

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## 2. Project Objectives and Components

### a. Objectives

The objective of the Project is "to improve the quality of service delivery by the participating institutions and to enhance access to justice with a focus on citizens' needs for justice services" (Project Financing Agreement 2010, p. 5); There is a similar statement in the Project Appraisal Document (PAD, p. 5).

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



No

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

No

**d. Components**

There were four original components:

Component 1: Improved Justice Services Delivery (US\$16.66 million at appraisal, US\$20.48 million at closure): The objective of this component was to support improvements in procedural processing time and attention to users of justice services through the provision of technical assistance to improve the efficiency and timeliness of services offered by the Judiciary and the Attorney General's Office, among other institutions.

□

Component 2: Improved Human Resources Management Capacity (US\$4.61 million at appraisal and US\$2.49 million at closure): This component sought to enhance the human resources management capacity of personnel in the participating institutions through a performance-based methodology of selection, evaluation, promotion and sanction, and through more integrated training programs. This would involve the use of modern concepts of human resources planning and performance, such as performance-based management.

□

Component 3: Enhanced Transparency and Access to Justice (US\$5.76 million at appraisal and US\$3.96 million at closure): This component aimed to develop a stronger anti-corruption strategy for the Judiciary, including training for magistrates and personnel of the Anti-Corruption Office of the Judiciary. This component also sought to enhance access to justice for resource-poor citizens, including support for legal aid and conciliation services through the Ministry of Justice Free Legal Aid (ALEGRAs) and through promoting participatory campaigns with civil society.

□

Component 4: Project Management, Monitoring and Evaluation (US\$2.97 million at appraisal and US\$4.48 million at closure): This component aimed to maintain and strengthen the Project Coordination Unit, including enhancing procurement, financial management and monitoring and evaluation capacities within the Judiciary (where the Project Coordination Unit was to be located) to implement the project on behalf of the five participating Institutions.

□

Project costs above refer only to IBRD financing.

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

**Project cost.** Total actual project cost was US\$31.41 million at closure compared to an appraisal estimate of US\$30.00 million. The costs for the first and fourth components - improving justice service delivery and project management- were 23 percent and 51 percent higher than at appraisal, respectively. The costs of the second and third components - strengthened human resources and increased transparency - were 46 percent and 31 percent lower than the appraisal estimate, respectively.



**Financing.** The project was financed by an IBRD Loan of US\$20 million. This amount was fully disbursed.

**Borrower contribution.** This was US\$11.41 million at closure, compared to an appraisal estimate of US\$10 million. The Borrower financed the additional project costs.

**Dates.** The closing date was extended twice. The first extension was from September 30, 2015 to December 31, 2015, to ensure the completion of the electronic filing system and e-notification system. The second extension was for six months to June 30, 2016, to enable the use of savings resulting from the depreciation of the Peruvian sol nuevo against the US dollar, which generated unused balances of some US\$300,000. The project closed on June 30, 2016.

### 3. Relevance of Objectives & Design

#### a. Relevance of Objectives

The objectives were, and remain, substantially relevant to country conditions and to government and Bank strategies. At appraisal, Peru's justice system faced a number of challenges including: (i) the need to speed up processing time and expand the prosecutors role in criminal procedures; (ii) the lack of modern court management systems in most judicial districts; (iii) weak technical and professional development of the staff from both the Judiciary Branch and the Attorney General's Office; (iv) inadequate coordination and interaction among the main justice sector institutions; (v) significant challenges for highly vulnerable segments of the population in obtaining access to legal services to resolve social or economic disputes; (vi) alternative dispute resolution mechanisms frequently lacking formal recognition; and (vii) low confidence in much of the judicial system which was widely perceived to be corrupt.

The objectives were in line with the ongoing efforts of the government and the judiciary to address the challenges of increasing access and improving service delivery. The project built upon the new criminal procedural code (NCPC) which was created by legislation in 2006, and which began to be implemented in 2008. The reform was, however, at an early stage, and the main objective of the Authorities at appraisal was to create the conditions for the effective application of the NCPC. The second strategic priority in the 2016-2021 National Plan is "increasing public safety and the fight against corruption." Within this, judicial sector reform occupies a central place. In 2016, the Government outlined a deep and comprehensive reform of the crime prevention and control systems, focused on the full chain of this service: prevention-police/intervention-prosecution-court-jails. This includes an institutional reform of the justice administration to increase its efficiency, expand access, and promote transparency, integrity and accountability.

The objectives were, and remain, relevant to World Bank Group strategy in Peru. The Country Partnership Strategy for 2007-2011 explicitly recognized the need to improve the justice system in Peru, tackle corruption, and improve service delivery within the Modernization of the State pillar. The 2012-2016 CPS highlighted the support for the creation of an institutional framework that enhances mechanisms for better access to basic services, including those in the justice sector. This emphasis was reflected in Results Area 1.3 of the CPS, which is devoted to improving the quality of judicial services. The priority areas of the 2017-2021 Country Partnership Framework (CPF) feature "improving government coordination, capacity and law enforcement." The first key bottleneck in this area is identified as "weak enforcement of the rule of law in the



justice system."

### **Rating**

High

#### **b. Relevance of Design**

The statement of objectives was clear and measurable. There is a clear and logical link between the project-supported activities and the intermediate and final outcomes. For example, it is reasonable to expect that strengthening the strategic planning and managerial capabilities of sector institutions through enhancement of case and budget management, as well as design and implementation of administrative coordination and performance monitoring, would enhance the quality of service delivery. Improved human resources management capacity would also serve the objective of enhanced service delivery. Measures to increase transparency and reduce corruption may be expected to increase access. Access could be expected to be enhanced further through project support for the creation and implementation of free legal aid (ALEGRA) civic engagement with community and local leadership in marginalized areas. The expected project outcomes – more expeditious trials, expanded use of legal aid centers, and greater use of alternative sentencing options – are relevant to the objectives; however, it would have been useful to have specified further outcomes such as evidence of reduced corruption and of access to the justice system, especially by members of vulnerable groups.

### **Rating**

Substantial

## **4. Achievement of Objectives (Efficacy)**

### **Objective 1**

#### **Objective**

Improve the quality of service delivery by the five participating Institutions

#### **Rationale**

The five participating institutions (Ministry of Justice, Judiciary, Judicial Council, Judicial Academy and Attorney General's Office) are considered the main actors in charge of case processes and court trials and hence, provision of technical assistance for improving quality of service delivery is critical.

Not all expected outputs were delivered, and achievements regarding this objective were mixed.

#### Outputs:

- Five courts and prosecutors' offices provide information to the Management Information System (MIS) in



accordance with the target.

- The administrative staff of 31 district courts received training in results-based management, compared to a baseline of ten and a target of 29.
- Results-based budgeting indicators were developed for the Judiciary's budget along with evaluation and impact analysis tools.
- An institutional Strategic Plan 2013–2017 and specific guidelines to strengthen institutional management were developed for the National Judicial Council (CNM).
- The project developed a digital file system for labor cases in the Lima Norte High Court, as well as refurbishment of spaces for labor and criminal oral hearing rooms in the Junín High Court. The project also supported the design of regulations and a pilot plan for introducing oral proceedings in labor and civil cases by the Judiciary.
- By closure, CNM had developed a standardized guideline for the evaluation of judges and prosecutors, which remains in effect. Also by closure, 100 percent of judges and prosecutors were being evaluated according to the parameters set in the Judicial Career Law.
- The development and implementation of a joint communication strategy for the participating institutions in coordination with the Commission for Implementation of the NCPC was not carried out due to changed government priorities.

### Outcomes

According to the ICR, the Government's decision to postpone the implementation of the NCPC in Lima and Callao until 2017 was primarily due to budget constraints. This adversely affected the project's impact on service delivery quality, especially regarding alternative sentencing options and the number of days required to complete criminal justice proceedings in the Lima Metropolitan Area.

- The average time required at a national level to complete a trial fell only slightly, from 486 days prior to the project to 479 days at closure. This was well short of the target of 243 days.
- The number of cases in which alternative sentencing options are applied rose from a 2011 baseline of zero to 23,973 cases in 2015, 80% of the expected result at project closing. This aspect was not monitored during the last year of implementation.
- The time taken by the Legal Institute of Medicine to deliver expert technical opinions increased from 20 days in 2011 to 45 days in 2016. The target was one day.

**Rating**  
Modest

## **Objective 2**

### **Objective**

Enhance access to justice with a focus on citizens' needs for justice services



## **Rationale**

Access to justice is another fundamental challenge facing the justice sector in Peru. The majority of the population who have low levels of education, many of whom are poor, are not accessing services to resolve social or economic disputes.

### Key Outputs:

- By project closure 49 ALEGRA centers (free legal aid centers) had been established compared to a baseline of 25, in accordance with the target. The ALEGRA centers were created and equipped in 20 urban and peri-urban centers throughout the country, focusing on areas inhabited by the poor and vulnerable. Training programs were developed and provided, including a training session for public defenders on procedural law, to improve the capacities of public defenders and legal advisory centers.
- A wide-ranging communications campaign was conducted to promote appropriate values in the judiciary, and inform citizens about domestic violence, preventive measures, and a number of other issues, accompanied by decentralized public hearings at which CNM received complaints by citizens against the judiciary.
- Support was provided to the Judiciary Anti-Corruption Office (OCMA), including the purchase of technological equipment to strengthen the control and efficiency of the services provided, the training of officers through an international conference on judicial independence and anticorruption policies, a course on audits in judicial management, standardization of the complaints system in OCMA, implementation of an electronic notification system, and the establishment and implementation of a call center to provide better, faster and more personalized services.
- Training and other capacity building activities were conducted to reinforce the managerial capabilities of the Ministry of Justice, including the dissemination of information of user-centered service delivery strategies and mechanisms. The project provided support to the public legal education program, including the dissemination of information and consultation with community leaders, local authorities, and representatives of grassroots organizations.

### Outcomes

- The cumulative number of consultations that took place in ALEGRA centers (free legal aid centers) was 251,191 in 2016, compared to 100,000 in 2011 and a target of 250,000. The ICR reports that by June 30, 2017, one year after project closure, the cumulative number of consultations is projected to be 370,800. The ICR reports that the project-financed centers represented a considerable improvement in the physical and service-oriented environment in which free legal aid is provided. The cases sponsored by Ministry of Justice lawyers at ALEGRA centers increased from 2,301 in 2012 to over 22,531 in 2015. It is, moreover, noteworthy that these centers also provide Alternative Dispute Resolution services, which provide a faster and cheaper solution to the vulnerable population, with special consideration to indigenous peoples, women, and children.
- The number of cases resolved by Alternative Dispute Resolution methods was 51 percent of all cases in participating judicial districts in 2016, exceeding the target of 50 percent.
- The time taken to respond to complaints made to the Judiciary Anti-Corruption Office (OCMA) fell from



average of 21 months in 2012 to 10 months in 2016, in line with the target.

- According to data compiled by the Project Implementation Unit (PIU), Internet accessibility at the five participating institutions had reached 87 percent at closure, compared to a baseline of 70 percent and target of 85 percent.

### Rating

Substantial

## 5. Efficiency

No attempt was made to estimate economic and financial rates of return. The ICR notes that there were savings to users thanks to lower transaction costs of resorting to the justice system together with the development of cheaper alternatives such as ADR. However, the ICR did not provide comparable costs prior to the project. No comparative cost analysis with similar projects in Peru or elsewhere was conducted.

Information from the ICR indicates that there were administrative and operational inefficiencies. Project management increased by more than 50 percent compared to the appraisal estimate. The cost of component one, which supported the first objective, increased by 23 percent, but not all the outputs were delivered and the objective made limited progress in achieving its intended outcomes.

### Efficiency Rating

Modest

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

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

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

## 6. Outcome





The relevance of objectives is high and that of design substantial. The objectives were well-aligned to country conditions and highly relevant to both Bank and government strategies. The causal chain between funding and outcomes was clear and convincing and the statement of objectives was linked to intermediate and final outcomes. Efficacy of the first objective – improved quality of service delivery -- is rated modest. The evidence shows mixed results. The efficacy of the second objective – enhanced access to justice – is rated substantial. The evidence points to considerably greater access thanks to the project-supported expansion of free legal aid and alternative dispute resolution mechanisms. There are also indications of greater transparency (the project facilitated internet access to the five participating institutions) and greater responsiveness on the part of the Anti-Corruption Office. Efficiency is rated modest – no quantitative analysis to demonstrate comparative cost effectiveness was undertaken, and there is evidence of administrative and operational inefficiencies. Overall, the shortcomings are considered moderate and outcome is assessed as moderately satisfactory.

**a. Outcome Rating**  
Moderately Satisfactory

## **7. Rationale for Risk to Development Outcome Rating**

Enhancing the quality of justice sector services and increasing access for the most vulnerable citizens have been high and publicly declared government priorities, and that shows no sign of changing. Risk to development outcome is therefore considered moderate although sustainability depends to some extent on the continuation and deepening of the reform process. While there is potential risk that nationwide application of NCPC may be further delayed, the government has demonstrated strong commitment to other project activities and objectives, especially those related to ALEGRA. Social and other stakeholder risks are also modest as evidenced by strong stakeholder engagement levels in ADR and ALEGRA.

**a. Risk to Development Outcome Rating**  
Modest

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

**a. Quality-at-Entry**

Project preparation built on a previous Bank-supported operation in the justice sector, and yielded a solid body of analytical work and data. This enabled design of the project under review to incorporate clear and specific areas of intervention. There were, however, three moderate shortcomings in Quality at Entry. First, stakeholder consultation could have been broader. The project team informed IEG that consultation included justice sector officials but not end beneficiaries. Including the latter might have better illuminated citizens' needs. Second the achievement of the first project objective – improved service quality – depended to a





significant extent on the continued and successful implementation of the NCPC, which was delayed by the government due to budgetary constraints. This was not identified as an explicit risk, and mitigation measures were not, therefore, considered. Third, as discussed in Section 10 below, there were weaknesses in M&E design – the extent and quality of outcome indicators could both have been improved, and no provision was made for a user satisfaction survey, which could have shed considerable light on the impact of the project especially for more vulnerable segments of the population.

### **Quality-at-Entry Rating**

Moderately Satisfactory

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

There was an average of two supervision missions per year over the project's life and eleven Implementation Status Reports (ISRs) were filed. There was one Task Team Leader throughout implementation which aided continuity of dialogue. According to the ICR, the supervision team responded in a timely and proactive manner to procurement issues, and secured the trust and consensus of counterpart agencies on policy issues. The Bank could have reacted sooner to the decision to postpone the NCPC roll out in the Lima Metropolitan Area. The likely consequences for the achievement of the PDO could have been considered at the mid-term review in October 2013. This might beneficially have triggered a restructuring as early as 2014. The ISRs could have been more candid – implementation progress was rated satisfactory throughout, as was progress towards development objectives (except for the last ISR which rated it moderately satisfactory).

The Level Two restructurings could have been used to address some issues in the results framework (see Section 10 below). In addition, the Bank team might have done more to promote dissemination of project results and lessons learned to Justice Sector clients and the wider community, particularly since the importance of this was emphasized in the PAD.

### **Quality of Supervision Rating**

Moderately Satisfactory

### **Overall Bank Performance Rating**

Moderately Satisfactory

## **9. Assessment of Borrower Performance**

### **a. Government Performance**

The support of the Judicial Branch to the project was strong and constant throughout preparation and implementation. The Ministry of Finance provided the necessary support regarding the allocation of counterpart funding. Moreover, as noted in Section 7 above, judicial reform, with a focus on a comprehensive revamping of criminal justice, has long been, and remains, a priority for the Peruvian Authorities. Nonetheless, the postponement of the implementation of the NCPC in the Lima Metropolitan Area in 2014, almost two years before project completion, impacted negatively on the achievement of the project's development objectives, particularly regarding the reduction of trial times. There is as yet no signal



that the implementation is to be resumed.

### **Government Performance Rating**

Moderately Satisfactory

### **b. Implementing Agency Performance**

The Project Implementation Unit, housed in the Ministry of Justice, participated at an early stage of implementation in the elaboration of a Project Operations Manual outlining responsibilities and processes. It had retained its well-trained and motivated staff from the previous operation. It demonstrated capacity throughout implementation to handle both technical and fiduciary dimensions. Perhaps most importantly, it could maintain good communication with counterparts in each agency involved in project implementation. The significance of this is underlined by the fact that weak coordination between participating institutions and within government generally, was identified at appraisal as a salient feature.

The ICR reports that the PIU was well led, and its head was highly effective in rebuilding relations with other entities after their leadership had changed. Overall, most executing entities could perform the roles assigned to them, albeit with some delays and, at times, intense assistance from the PIU. There were challenges arising from the administration of software, notably in the Ministry of Justice. There were some minor shortcomings. The PIU could have pressed more strongly for a revision of the results framework during the two restructurings. In partnership with the other executing agencies, it could also have pursued an aggressive dissemination of project results, activities, and development rationale, with a view to addressing the population's low level of esteem for the justice sector.

### **Implementing Agency Performance Rating**

Satisfactory

### **Overall Borrower Performance Rating**

Moderately Satisfactory

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

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

There were important weaknesses in M&E design. Although baseline and target information for some indicators was available from the first operation, other indicators lacked target and baseline values at appraisal. Those values had to be obtained by consultants who did not carry out this task until 2012, nearly two years after Board approval. There were few outcome indicators, and they did not fully reflect the project's anticipated impact. Management of the M&E system was the responsibility of the PIU, which set up a mechanism for the regular collection of information. It was envisioned that the indicators would be measured through periodic surveys and annual reports. No provision was made for end-beneficiary surveys under the auspices of the project (although a national urban survey was performed by Ipsos Peru, and there was also an Opinion Poll administered by the Society for Consumer Research).



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

The PIU produced both annual and partial progress reports on a six-month basis with five reports produced at project closure. The results framework was not subjected to a comprehensive revision during project restructurings, which would have enabled it to reflect more accurately the impact of project activities and the evolving situation on the ground. The PIU developed some additional impact indicators and included them in the Project Operations Manual. While these may have informed the Government in planning and implementing activities as well as identifying bottlenecks, they were not formally included as part of the results framework and were measured in parallel by the PIU.

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

The M&E system was used to monitor project implementation progress.

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

Substantial

## **11. Other Issues**

### **a. Safeguards**

The project was classified as Category “C” for environmental assessment purposes. Nonetheless, the Environmental Assessment safeguard, OP 4.01, was triggered due to the minor civil works to be carried out. According to the PAD, environmental management guidelines were prepared for the contractors. The PAD also states that, despite the triggering of OP 4.01, the works planned were sufficiently minor to justify the “C” classification. An Environmental Assessment was prepared and incorporated into the Operational Manual. The ICR reports that no environmental issues arose during implementation.

### **b. Fiduciary Compliance**

**Financial Management.** The ICR states that the PIU’s financial management performance was consistently rated as 'Satisfactory' in supervision reports. This indicates that the loan proceeds were used for the intended purposes. The legal financial covenants were all met. Interim financial reports and annual financial audits were submitted in a timely manner. No issues arose from the external audit of the project’s accounts.

**Procurement.** The PIU’s performance was also rated consistently Satisfactory in this area (ICR, p. 9). There were some challenges regarding the procurement of the software developer for the electronic filing system, but the issues were eventually resolved. There were no reported instances of misprocurement.



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

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### d. Other

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## 12. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	---
Risk to Development Outcome	Modest	Modest	---
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	---
Borrower Performance	Moderately Satisfactory	Moderately Satisfactory	---
Quality of ICR		Substantial	---

### Note

When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.

The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

## 13. Lessons

This review finds the following lessons from the ICR of key importance, with some rephrasing:

- There is a need to balance trade-offs between holistic and more focused approaches to reform. In the case of this project, pilot interventions were useful for delivering faster results, but they were not scaled up or communicated to the point where they could influence user perceptions of judicial quality.
- Complex and evolving judicial reforms need dynamic M&E frameworks that are revised as conditions change. In the case of this project, the restructurings could have provided opportunities to update targets and add new indicators to better measure achievements.
- Capacity building may have a limited impact where anticipated reforms are postponed. In the case of this project the payoff of capacity building will be dependent on future NCPC implementation.
- A strong coordination mechanism bringing together key stakeholders can help to maintain policy priorities.



In the case of this project, the Steering Committee continued and expanded from the previous project, and helped to keep up momentum despite changes in key leadership positions.

#### **14. Assessment Recommended?**

No

#### **15. Comments on Quality of ICR**

The ICR is thorough and generally clearly written. It provides sufficient information on the project's achievements, notably in Annex 2. The lessons are well drawn and well-grounded in the experience of preparing and implementing the operation. The discussion of efficacy could have been more focused. It is too oriented towards the attainment (or otherwise) of indicator targets and not enough on the broader achievement of the project's objectives. More emphasis could have been given to the need for more consultation with the users of the judicial system (the ultimate beneficiaries) and the lack of systematic beneficiary surveys could have been more forcefully critiqued.

##### **a. Quality of ICR Rating** Substantial