

European judicial systems

Efficiency and quality of justice

CEPEJ STUDIES No. 23



Edition 2016 (2014 data)

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Chapter 1. The evaluation process of the CEPEJ

This first chapter describes the evaluation process carried out by the CEPEJ to prepare the present report. It sets out the working principles and methodological choices used in this exercise.

1.1 The European Commission for the Efficiency of Justice

The European Commission for the Efficiency of Justice (CEPEJ) was set up by the Committee of Ministers of the Council of Europe in September 2002, and is entrusted primarily with proposing concrete solutions suitable for use by Council of Europe Member states for:

- promoting the effective implementation of existing Council of Europe instruments used for the organisation of justice;
- ensuring that public policies concerning the courts take into account the needs of the justice system users;
- offering states effective solutions prior to the points at which an application would be submitted to the European Court of Human Rights and preventing violations of Article 6 of the European Convention on Human Rights, thereby contributing to reducing congestion in the Court .

The CEPEJ is today a unique body for all European States, made up of qualified experts from the 47 Council of Europe Member states, to assess the efficiency of judicial systems and propose practical tools and measures for working towards an increasingly efficient service for the public.

According to its status, the CEPEJ must "*(a) examine the results achieved by the different judicial systems (...) by using, amongst other things, common statistical criteria and means of evaluation; (b) define problems and areas for possible improvements and exchange of views on the functioning of the judicial systems; (c) identify concrete ways to improve the measuring and functioning of the judicial systems of the Member states regarding their specific needs*". The CEPEJ shall fulfil these tasks, for instance, by "*(a) identifying and developing indicators, collecting and analysing quantitative and qualitative figures, and defining measures and means of evaluation; and (b) drawing up reports, statistics, best practice surveys, guidelines, action plans, opinions and general comments*".

This status emphasizes the comparison of judicial systems and the exchange of knowledge on how they function. The scope of this comparison is broader than 'just' efficiency in a narrow sense: it also emphasizes the quality and the effectiveness of justice.

In order to fulfil these tasks, the CEPEJ has undertaken since 2004 a regular process for evaluating every two years the judicial systems of the Council of Europe Member states.

1.2 The scheme for evaluating judicial systems

The Evaluation Scheme for understanding a judicial system and evaluating its functioning has been designed and used by the CEPEJ on the basis of the principles identified in Resolution Res(2002)12 of the Committee of Ministers which sets up the CEPEJ, and relevant Resolutions and Recommendations of the Council of Europe in the field of efficiency and fairness of justice.

The scheme was reviewed by the CEPEJ Working Group on evaluation of judicial systems (CEPEJ-GT-EVAL) in 2015. Its explanatory note aims to facilitate a common understanding by all national correspondents of the questions, allowing to guarantee uniformity of the data collected and processed. It has been recommended to all national correspondents to carefully read the explanatory note before replying to each question.

For the present cycle, the scheme and the explanatory note were submitted to the Member states in June 2015, in order to receive new data at the end of 2015, using the electronic version of this scheme, and allowing each national correspondent to access a secure website to transmit their responses to the Secretariat of the CEPEJ.

1.3 Data collection, validation and analysis

This report is based on the data from 2014. As the majority of States and entities were only able to issue judicial figures for 2014 in summer or autumn of 2015, the CEPEJ was not able to gather figures before the beginning of 2016. This left only a few months to the states to collect and consolidate their individual replies to the evaluation scheme and less than four effective working months to the experts to deal with them and prepare the report.

Methodologically, the collection of figures is based on reports of the States and entities, which were invited to appoint national correspondents entrusted with the coordination of the replies to the scheme for their respective State or entity.

The CEPEJ instructed its Working Group, under the chairmanship of Mr Jean-Paul JEAN (France), with the preparation of the report¹, coordinated by the Secretariat of the CEPEJ.

The national correspondents were considered as the main interlocutors of the Secretariat and the experts when collecting new figures, and the first to be held accountable for the quality of the figures used in the survey. All individual replies were recorded in a database by a scientific expert.

Extensive work has been carried out to verify the quality of the data submitted by the states. Frequent contacts have been established with national correspondents in order to validate or clarify the figures (see box below) and their adjustment continued until shortly before the completion of the final version of the report. The CEPEJ experts agreed that the figures would not be changed *ex officio*, unless the correspondents explicitly agreed to such changes. Thus, all data changes have been approved by the relevant national correspondents. Nevertheless, following discussions with the national correspondents, the experts have decided to exclude some data that do not appear sufficiently accurate to merit publishing.

The meeting between the CEPEJ-GT-EVAL and the network of national correspondents in Strasbourg, in May 2016 was an essential step in the process, aimed at validating figures, explaining or amending, for the same questions, significant variations in data between 2004 and 2016, discussing decisions of the experts and improving the quality of the figures received.

Responding states

By May 2016, 45 Member states had participated in the process: **Albania, Andorra, Armenia, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus², Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Republic of Moldova³, Monaco, Montenegro, Netherlands, Norway,**

¹ The Working Group of the CEPEJ on the evaluation of judicial systems (CEPEJ-GT-EVAL) was composed of: Mr Ramin GURBANOV, Judge at the Baku City Yasamal District court, Azerbaijan, Mr Adis HODZIC, Head of the Budget and Statistics Department, Secretariat of the High Judicial and Prosecutorial Council of Bosnia and Herzegovina, Mr Jean-Paul JEAN, President of Chamber at the Court of Cassation, Associated Professor at the University of Poitiers, France (President of the CEPEJ-GT-EVAL), Ms Simone KREß, Judge, Court of Appeal of Köln, Germany, Ms Mirna MINAUF, Senior Administrative Advisor, Sector for judicial administration and judicial inspection, Directorate for the Organisation of the Judiciary, Ministry of Justice of the Republic of Croatia, Mr Georg STAWA, President of the CEPEJ, Head of Department for Projects, Strategy and Innovation, Federal Ministry of Justice, Austria, Mr Frans van der DOELEN, Programme Manager of the Department of the Justice System, Ministry of Justice, The Netherlands, Mr Jaša VRABEC, Senior Judicial Adviser, President's Office, Supreme Court of the Republic of Slovenia, and supported by the scientific experts: Ms Julinda BEQIRAJ, Associate Senior Research Fellow in the Rule of Law, Bingham Centre for the Rule of Law, London, United Kingdom, Mr Didier MARSHALL, Honorary Judge, Dean of the Department of Justice Administration at the French *Ecole Nationale de la Magistrature*, France

Ms Ludivine ROUSSEY, Researcher in economic sciences, University of Paris Descartes, Sorbonne France

² The data provided by Cyprus does not include data of the territory which is not under the effective control of the Government of the Republic of Cyprus.

³ The data provided by the Republic of Moldova does not include data of the territory of Transnistria which is not under the effective control of the Government of the Republic of Moldova.

Poland, Portugal, Romania, Russian Federation⁴, Serbia⁵, Slovakia, Slovenia, Spain, Sweden, Switzerland, “the former Yugoslav Republic of Macedonia”⁶, Turkey, Ukraine⁷ and United Kingdom⁸.

Only **Liechtenstein** and **San Marino** have not been able to provide data for this report. In addition, considering the very limited number of responses provided, the CEPEJ-GT-EVAL has decided not to include **Iceland** into some chapters of this study.

Israel has participated in the evaluation cycle as an observer state and appears in this report. It should be noted that the data indicated at the end of the tables (averages, medians, etc.) are always calculated only for the Council of Europe Member states in order to provide a picture of the European situation of judicial systems. More generally, it is worth mentioning that the CEPEJ, in line with the general policy agreed by the Committee of Ministers of the Council of Europe, has extended its cooperation with non-Member states within the framework of specific cooperation programmes. **Morocco, Tunisia** and **Jordan** benefit from such cooperation.

It should be noted that in federal states or states with a decentralised system of judicial administration, the data collection has different characteristics compared to the centralised states. The situation is frequently more complex in those cases. In these states, data collection at a central level is limited while at the level of the federated entities both type and quantity of figures collected may vary. In practice, several federations sent the questionnaire to each of their entities. Some states conceived their answers for the whole country from the figures available from the entities, taking into account the number of inhabitants for each component.

National replies also contain descriptions of the judicial systems and comments that contribute greatly to the understanding of the figures provided. They are therefore a useful complement to the report although not all of this information has been included in the interest of conciseness and consistency. A genuine data base of the judicial systems of the Council of Europe Member states is easily accessible to all citizens, policy makers, law practitioners, academicians and researchers. Studies and research can be conducted by research teams with easy access to data in the framework of individual agreements with the CEPEJ and subject to certain terms.

1.4 General methodological issues

Objectives of the CEPEJ and scope of this report

For the first time, the CEPEJ has decided to modify the manner of presentation of the results of its evaluation cycle. This report is limited to key issues and key data and doesn't pretend to have exploited exhaustively all the information that were provided by the states.

This report is only one of the three elements used by the CEPEJ to report on the functioning of the judicial systems in 2014. Those three elements are the following:

- **a general report including key data and comments (key facts and figures) which makes it possible to evaluate the state of the judicial systems and their evolution (this report);**
- **a specific report focused on the use of IT in courts (theme chosen by the CEPEJ for its 2014-2016 evaluation cycle);**
- **a dynamic data base opened to the public on the Internet, including a data processing system (see: www.coe.int/cepej).**

⁴ All activities of the Council of Europe concerning the Autonomous Republic of Crimea and the City of Sevastopol aim at fostering human rights in the interest of the people living in this territory. They cannot be interpreted as recognising neither the authorities that exercise de facto jurisdiction nor any altered status of the territory in question.

⁵ The data provided by Serbia does not include data of the territory of Kosovo* (* all reference to Kosovo, whether the territory, institutions or population, in this text shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo).

⁶ Mentioned as "the FYROMacedonia" in the tables and graphs below.

⁷ The data indicated for Ukraine do not include the territories which are not under the control of the Ukrainian government. All activities of the Council of Europe concerning the Autonomous Republic of Crimea and the City of Sevastopol aim at fostering human rights in the interest of the people living in this territory. They cannot be interpreted as recognising neither the authorities that exercise de facto jurisdiction nor any altered status of the territory in question.

⁸ The results for the United Kingdom are presented separately for England and Wales, Scotland and Northern Ireland, as the three judicial systems are organised on a different basis and operate independently from each other.

Regarding this report, as it was the case for previous editions, the CEPEJ has tried to approach the analytical topics keeping in mind all the priorities and the fundamental principles of the Council of Europe. Beyond the statistics, the interest of the CEPEJ report consists in highlighting the main trends, evolutions and common issues of the European States.

Compared to the previous report, the main changing in this year's report consists in focusing only on certain key sets of data and providing a more analytical interpretation of the situation in the states. The CEPEJ has decided to present all the data collected in a new dynamic format accessible via internet which will allow all the stakeholders to analyse independently, and according to their needs, a comprehensive volume of data for a specific group of states, or all states concerned.

This report is part of an on-going and dynamic process carried out by the CEPEJ. Throughout the preparation of the report, experts and national correspondents were encouraged to keep in mind the long-term objective of the evaluation process: to define a core of quantitative and qualitative key data to be regularly collected and dealt with in a similar manner in all states, bringing out shared indicators on the quality and the efficiency of court activities in the Member states of the Council of Europe (and in Israel) and highlighting organisational reforms, practices and innovations in a view to enabling the further improvement of the service provided to court users.

The quality of the data

The quality of the data contained in this report depends very much on the type of questions asked in the data collection instrument, the definitions used by the states, the system of registration, the efforts made by national correspondents, the national data available and the way the figures were processed and analysed. In spite of the improvements resulting from previous experiences, one can assume that some variations occurred when the national correspondents interpreted the questions regarding their country and were attempted to match the questions with the information available. The reader should bear this point in mind and always interpret the statistics by the light of the comments and the detailed explanations given individually by the states.

The CEPEJ has chosen to process and present only the figures which offered a high level of quality and reliability. It decided to disregard the figures which were too disparate from one country to another, or from one evaluation exercise to another, or did not present sufficient guarantees of accuracy.

The checking and the coherence of the data

A specific effort of approval of the data was made to ensure their coherence and their reliability and to enable the creation and the analysis of statistical series. These series are designed to measure some evolutions. Such evolutions are often limited to the period 2010 - 2014. Regarding the checking of the accuracy of the figures, an in-depth quality check was made by the CEPEJ Secretariat, including extensive exchanges with the national correspondents. Statistical rules have been applied to compare the data from the three consecutive cycles. Those rules made possible the identification of the replies showing important variations trying to find explanations to it. Through these comparisons, methodological problems have been identified and corrected. In some cases strong variations could also be explained by the evolution of economic situations, structural and organisational reforms, political decisions or the implementation of new mechanisms, procedures or measures.

The approval of the data was made according to a rigorous methodology. However, it is not possible to guarantee the full reliability of all data. The variability of some data were not always explained despite the confirmation of their accuracy by the national correspondents. In case of significant variations (outliers), the results of the analyses were either excluded or kept but with the appropriate disclaimers.

Since 2008, the CEPEJ has implemented a peer evaluation process about the systems collecting and dealing with judicial data in the Member states. This process aims at bringing support to the states in the improvement of the quality of their judicial statistics and the development of their statistical system in order to ensure the coherence with the standards defined in the Evaluation Scheme of the CEPEJ. The evaluation process also facilitates the exchange of experiences between the national systems, the sharing of good practices, the identification of indicators and the transfer of knowledge. It also ensures the transparency and the reliability of the evaluation process of the European judicial systems conducted by the CEPEJ.

Until now, the judicial systems of 21 volunteer states were observed by the peers in order to analyse the organisation of data collection and their communication to the CEPEJ Secretariat: **Austria, Azerbaijan,**

Bosnia and Herzegovina, Estonia, France, Latvia, Lithuania, Malta, Netherlands, Poland, Russian Federation, Serbia, Slovakia, Switzerland and Turkey, as well as **Israel**. Furthermore, a visit was organised in **Norway**, bringing together experts from **Denmark, Finland, Iceland and Sweden**. During these visits, the experts appointed by the CEPEJ-GT-EVAL analysed the practical way of answering to some questions of the Evaluation Scheme and the content of the answers, in particular the questions related to budgetary issues, types and number of judges, litigious civil cases and methods of calculating the length of proceedings.

Moreover, the CEPEJ approved a set of guidelines on judicial statistics for the attention of the Member states departments in charge of collecting and dealing with statistics in the field of justice⁹. These guidelines, as a tool of the public policy, aim at ensuring the quality of the judicial statistics collected and processed by the Member states. They should also facilitate the comparison of data between European countries by ensuring adequate homogeneity despite the substantial differences between countries (in relation to the judicial organisation, economic situation, demography, etc.).

Comparing data and concepts

The comparison of quantitative data from different countries with various geographical, economic and legal situations is a delicate task. It should be approached with great caution by the experts writing the report and by the readers consulting it, interpreting it, and analysing the information it contains.

In order to compare the various states and their systems, the particularities of the systems, which might explain differences in data from one country to another, must be borne in mind (different judicial structures, the way of the courts organisation, use of statistical tools to evaluate the systems, etc.). Special efforts were made to define the used terms and to ensure that the concepts are addressed according to a common understanding. For instance, several questions have been included in the scheme, with clear definitions in the explanatory note, to address the number of courts (both through an institutional and a geographical perspective) or the number of judges (different categories have been specified). A particular attention was also paid to the definition of the budget allocated to the courts, so that the figures provided by Member states correspond to similar expenditures. However, the particularities of some systems might prevent to reach shared concepts. In this case, specific comments join the data. Therefore only an active reading of this report can allow analyses to be made and conclusions to be drawn. Moreover, figures cannot be passively taken one after the other but must be interpreted by the light of the subsequent comments.

The report aims to give an overview of the situation of the European judicial systems, and not to rank the best judicial systems in Europe, which would be scientifically inaccurate and would not be a useful tool for the public policies of justice. Indeed, comparing does not mean ranking. However, the report gives the reader tools for an in-depth study which would then have to be carried out by choosing relevant clusters of countries: according to the characteristics of the judicial systems (for instance civil law and common law countries; countries with relatively new or newly reformed judicial systems or countries with old judicial traditions), geographical criteria (size, population) or economic criteria (for instance size of GDP; within or outside the Euro zone, etc.).

The CEPEJ scheme was also filled in by certain small states. **Andorra** and **Monaco** are territories which do not operate on a comparable scale to the other states surveyed in the report. Therefore must the figures of these states be interpreted cautiously, taking into account the specificities of the national structural indicators.

Monetary values are reported in Euros. For that reason, using exchange rates for states outside the Euro zone caused some difficulties. Exchange rates can actually vary a lot from year to year. Since the report focuses mainly on 2014, the exchange rates of 1 January 2015 were used. For states experiencing high inflation rates, this choice may generate very high figures which must be interpreted within their specific context. The high variation of the exchange rate might have a considerable effect on the figures for the countries outside the Euro zone. For some of them, the exchange rate against the Euro could have been more favourable in 2015 than in 2013. This fact may have strengthened budgetary or monetary increases once expressed in Euros (€). It is therefore, necessary to pay attention to this issue while comparing monetary figures of the 2014 and 2016 editions. A specific table (table 1.3) shows the variation of the exchange rate for the countries outside the Euro zone. As far as possible, this was taken into account while commenting on the tables and figures showing budgetary variations.

⁹ Document CEPEJ(2008)11.

Furthermore, for the first time in this edition, the inflation rate was considered in the respective part of this report when interpreting the variations of different judicial budget elements.

The evolution of judicial systems

Since 2014, a few Member states of the Council of Europe have implemented fundamental institutional and legislative reforms of their legal systems. For these states, the situation described in this report may be quite different from the current situation. States were invited to indicate whether reforms were implemented since 2014 or whether other reforms are in progress. This makes also possible the identification of the main trends related to priority reforms in the various justice systems.

In some countries the economic situation has deteriorated since 2014 because of the crisis, which has had a relatively large impact on the functioning of justice. For such states too, the situation described in this report may have evolved.

Presenting the data

In the 2014–2016 evaluation cycle, the CEPEJ tried to take a global approach of 47 States and entities' judicial systems - plus **Israel**. In order to highlight some particularities of the European judicial systems, several indicators were developed or calculated: ratios, rates, averages and/or medians, indexes, etc.

Several tables include replies as provided by the countries. Other tables show the replies processed together or presented according to aggregated figures. Graphs show more often than not global answers at a European level. Some indicators are shown thanks to maps.

In order to propose some references for reading the results of the analyses at a European level, the CEPEJ used the following indicators of central tendency:

- **Average:** represents the arithmetic average which is the outcome of dividing the sum of the observations of a distribution (data supplied) by the total number of countries which indicated the information included into the distribution. The average is sensitive to extreme values (too high or too low).
- **Median:** represents the middle point of a set of ordered observations. The median is the value that divides the data supplied by the countries concerned into two equal groups so that 50% of the countries are above this value and 50% are below it. When there is an odd number of observations, the median is the value that is just in the middle of these two groups. The median is sometimes better to use than the average, as it is less sensitive to extreme values. The effect of the extreme values is then neutralised.

In case of calculated variables, such as ratios for example, the European average or median is calculated as an average or median of the different states' ratios, rather than an average of the phenomenon in Europe. This was considered as a more satisfactory approach to understand the trends.

In addition to the average and the median, the minimum and maximum were included in several tables:

- **Minimum:** the lowest recorded value in the given column of the table.
- **Maximum:** the highest recorded value in the given column of the table.

1.5 General economic and demographic data

These figures, which almost every state was able to provide, give comprehensive information on the general context in which this study was conducted. In particular, they makes it possible, as it was the case in the previous exercise, to relativize the other figures and place them in context, particularly budgetary figures and figures relating to court activity.

The figures also enable the reader to measure the variations in the population and the size of the concerned countries, from **Monaco**, with about 37 000 of inhabitants, to the **Russian Federation** with more than 146 million of inhabitants. This demographic diversity must always be kept in mind. The population concerned by this study is roughly about 820 million people, which is almost the whole population of the Council of Europe's jurisdiction - since only **Liechtenstein** and **San Marino** are absent from the 2016 edition.

The data also demonstrate the large differences regarding wealth and living standards in the various countries through GDP per capita and partially by the amount of the global public expenditure (national and regional). The average annual gross salary gives an interesting overview of the wealth and living standards as it involves economic, social and demographic component. Though this indicator is not perfect, it nevertheless highlights, again, substantial disparities between the citizens of the states.

Finally, the influence of the monetary exchange rate between the "Euro zone" countries and the "others" must be taken into account, as it strongly modifies what salaries represent in terms of quality of life of the inhabitants of each state.

Therefore comparisons must always be limited to what can be compared. The results that each state would want to measure against other states that appear comparable to it must be balanced, taking into account the specific context. There are obviously threshold effects according to the level of population or level of living standards which are measured through ratios regarding the number of inhabitants and the GDP per capita.

The data regarding public expenditure (Q2) seem to be tied to various public accounting techniques, both regarding the defined perimeters and, for instance, the presentation of deficits. The problematic of the national and regional budgets on public competences as a whole also gives rise to further methodological problems. Therefore, these figures are analysed with care and only in comparison/ratio with other financial data from the same state.

The figures on population were provided by all states. They will be used in all ratios which measure an impact per inhabitant (most of the time per 100 000 inhabitants).

Figures related to the GDP per capita were provided by all the participating states. Here again, very large disparities in the GDP per capita can be noted and must always be kept in mind when considering the subsequent results. For instance, two extremes can be noted: on the one hand the countries with a GDP per capita around 1 700 € (**Republic of Moldova**), and on the other hand, **Luxembourg** with over 88 000 € reported, a value more than 50 times higher.

The national annual gross salary was also used several times comparing the salaries of judges and prosecutors. This was done in order to guarantee an internal comparability with the standards of living of each country.

Table 1.1 Economic and demographic data in 2014, in absolute value (Q1 to Q4)

| States/Entities | Population | Total annual state public expenditure | GDP per capita (in €) | Average gross salary |
|-------------------------|-------------|---------------------------------------|-----------------------|----------------------|
| Albania | 2 893 005 | 3 134 000 000 € | 3 439 € | 4 536 € |
| Andorra | 76 949 | 507 904 545 € | 30 342 € | 24 563 € |
| Armenia | 3 010 600 | 2 237 000 000 € | 2 910 € | 3 444 € |
| Austria | 8 584 926 | 169 749 434 000 € | 38 540 € | 30 655 € |
| Azerbaijan | 9 477 100 | 21 070 153 329 € | 6 194 € | 5 602 € |
| Belgium | 11 209 044 | 220 771 900 000 € | 36 000 € | 41 544 € |
| Bosnia and Herzegovina* | 3 827 343 | 11 111 457 211 € | 3 642 € | 7 909 € |
| Bulgaria | 7 202 198 | 16 607 797 523 € | 5 808 € | 5 078 € |
| Croatia | 4 225 316 | 18 855 101 030 € | 10 162 € | 12 508 € |
| Cyprus | 858 000 | 8 413 270 610 € | 20 454 € | 22 764 € |
| Czech Republic | 10 524 783 | 65 392 858 431 € | 14 602 € | 11 083 € |
| Denmark | 5 659 715 | 88 190 700 736 € | 45 744 € | 52 894 € |
| Estonia | 1 313 271 | 8 018 188 425 € | 15 186 € | 12 060 € |
| Finland | 5 471 753 | 54 587 000 000 € | 37 559 € | 39 624 € |
| France | 66 317 994 | 463 300 000 000 € | 32 227 € | 34 500 € |
| Georgia | 3 729 500 | 3 268 837 113 € | 2 668 € | NA |
| Germany* | 80 780 728 | 878 654 000 000 € | 33 343 € | 44 991 € |
| Greece | 10 846 979 | 128 552 062 742 € | 16 250 € | 16 243 € |
| Hungary | 9 855 571 | 53 233 901 490 € | 10 500 € | 9 759 € |
| Iceland | 329 740 | NA | 30 000 € | 34 363 € |
| Ireland | 4 625 885 | 72 304 000 000 € | 41 011 € | 35 768 € |
| Italy | 60 795 612 | 603 025 223 161 € | 26 585 € | 29 327 € |
| Latvia | 2 001 468 | 5 322 754 264 € | 12 065 € | 9 180 € |
| Lithuania | 2 921 262 | 7 854 039 330 € | 12 381 € | 8 129 € |
| Luxembourg | 563 000 | NA | 88 500 € | 46 000 € |
| Malta | 429 344 | 3 435 413 000 € | 18 525 € | 16 082 € |
| Republic of Moldova | 3 555 159 | 2 382 531 977 € | 1 687 € | 2 634 € |
| Monaco | 37 800 | 1 085 722 205 € | 65 703 € | 40 400 € |
| Montenegro | 620 029 | 1 890 754 552 € | 5 635 € | 8 640 € |
| Netherlands | 16 902 146 | 306 527 000 000 € | 39 297 € | 56 900 € |
| Norway | 5 165 802 | 174 410 178 800 € | 66 797 € | 56 087 € |
| Poland | 38 496 000 | 66 523 473 242 € | 10 538 € | 10 650 € |
| Portugal | 10 374 822 | 84 728 800 000 € | 16 637 € | 20 323 € |
| Romania | 22 279 183 | 52 010 307 668 € | 7 533 € | 6 152 € |
| Russian Federation* | 146 267 288 | 499 928 062 903 € | 9 686 € | 7 728 € |
| Serbia | 7 114 393 | 15 533 274 691 € | 4 672 € | 6 284 € |
| Slovakia | 5 421 349 | 15 591 320 000 € | 13 880 € | 10 296 € |
| Slovenia | 2 061 085 | 18 582 000 000 € | 18 065 € | 18 483 € |
| Spain | 46 439 864 | 423 227 347 310 € | 22 800 € | 22 803 € |
| Sweden | 9 747 355 | 215 312 490 100 € | 42 800 € | 39 948 € |
| Switzerland* | 8 237 666 | 166 893 450 600 € | 64 813 € | 65 180 € |
| The FYROMacedonia | 2 069 172 | 1 441 000 000 € | 4 130 € | 6 112 € |
| Turkey | 77 695 904 | 232 540 229 181 € | 8 022 € | 11 643 € |
| Ukraine | 42 929 000 | 20 241 967 226 € | 1 920 € | 2 147 € |
| UK-England and Wales** | 57 408 654 | 641 784 797 124 € | 32 033 € | 35 510 € |
| UK-Northern Ireland** | 1 840 498 | 25 751 155 624 € | 23 046 € | 30 874 € |
| UK-Scotland** | 5 347 600 | 85 264 240 000 € | 33 568 € | 34 728 € |
| Israel | 8 296 600 | 92 939 762 096 € | 28 188 € | 24 048 € |
| Average | 17 607 274 | 132 427 713 337 | 23 147 € | 22 872 € |
| Median | 5 471 753 | 52 010 307 668 | 16 637 € | 17 363 € |
| Minimum | 37 800 | 507 904 545 | 1 687 € | 2 147 € |
| Maximum | 146 267 288 | 878 654 000 000 | 88 500 € | 65 180 € |

* The regional level of public expenditure is included in "Total annual state public expenditure".

** For the entities of the United Kingdom, only the regional public expenditures are presented.

1.6 Analysing the findings of the report

The ultimate aim of the regular evaluation exercise is to develop recommendations and set up concrete tools to improve the quality and the efficiency of judicial systems. At the same time, additionally to this report, the CEPEJ prepared an in-depth analysing of the Information Technology used in the court systems. In the future, other in-depth analyses regarding the functioning of judicial systems will be proposed.

Keys

In order to have a complete and easy view of the complex maps and graphs, codes instead of the names of the Member states were used on several occasions. These codes correspond to the official classification (ISO 3166-1 alpha-3 codes with three letters) published by the International Organisation of Normalisation. As the ISO codes do not exist for the entities of the United Kingdom, the official FIFA (*Fédération Internationale de Football Association*) codes were used. These codes are ENG, WAL, NIR and SCO respectively.

| | | | | | | | | | |
|-----|------------------------|-----|----------------|-----|---------------------|-----|--------------------|-------------|---|
| ALB | Albania | CZE | Czech Republic | IRL | Ireland | NLD | Netherlands | ESP | Spain |
| AND | Andorra | DNK | Denmark | ITA | Italy | NOR | Norway | SWE | Sweden |
| ARM | Armenia | EST | Estonia | LVA | Latvia | POL | Poland | CHE | Switzerland |
| AUT | Austria | FIN | Finland | LIE | Liechtenstein | PRT | Portugal | MKD | "The former Yugoslav Republic of Macedonia" |
| AZE | Azerbaijan | FRA | France | LTU | Lithuania | ROU | Romania | TUR | Turkey |
| BEL | Belgium | GEO | Georgia | LUX | Luxembourg | RUS | Russian Federation | UKR | Ukraine |
| BIH | Bosnia and Herzegovina | DEU | Germany | MLT | Malta | SMR | San Marino | UK: ENG&WAL | United Kingdom: England and Wales |
| BGR | Bulgaria | GRC | Greece | MDA | Republic of Moldova | SRB | Serbia | UK: NIR | United Kingdom: Northern Ireland |
| HRV | Croatia | HUN | Hungary | MCO | Monaco | SVK | Slovakia | UK: SCO | United Kingdom: Scotland |
| CYP | Cyprus | ISL | Iceland | MNE | Montenegro | SVN | Slovenia | ISR | Israel |

In the report – especially in the tables presented – a number of abbreviations are used:

(Qx) refers to the (x=number of the) question in the scheme which appears in the appendix, thanks to which information were collected.

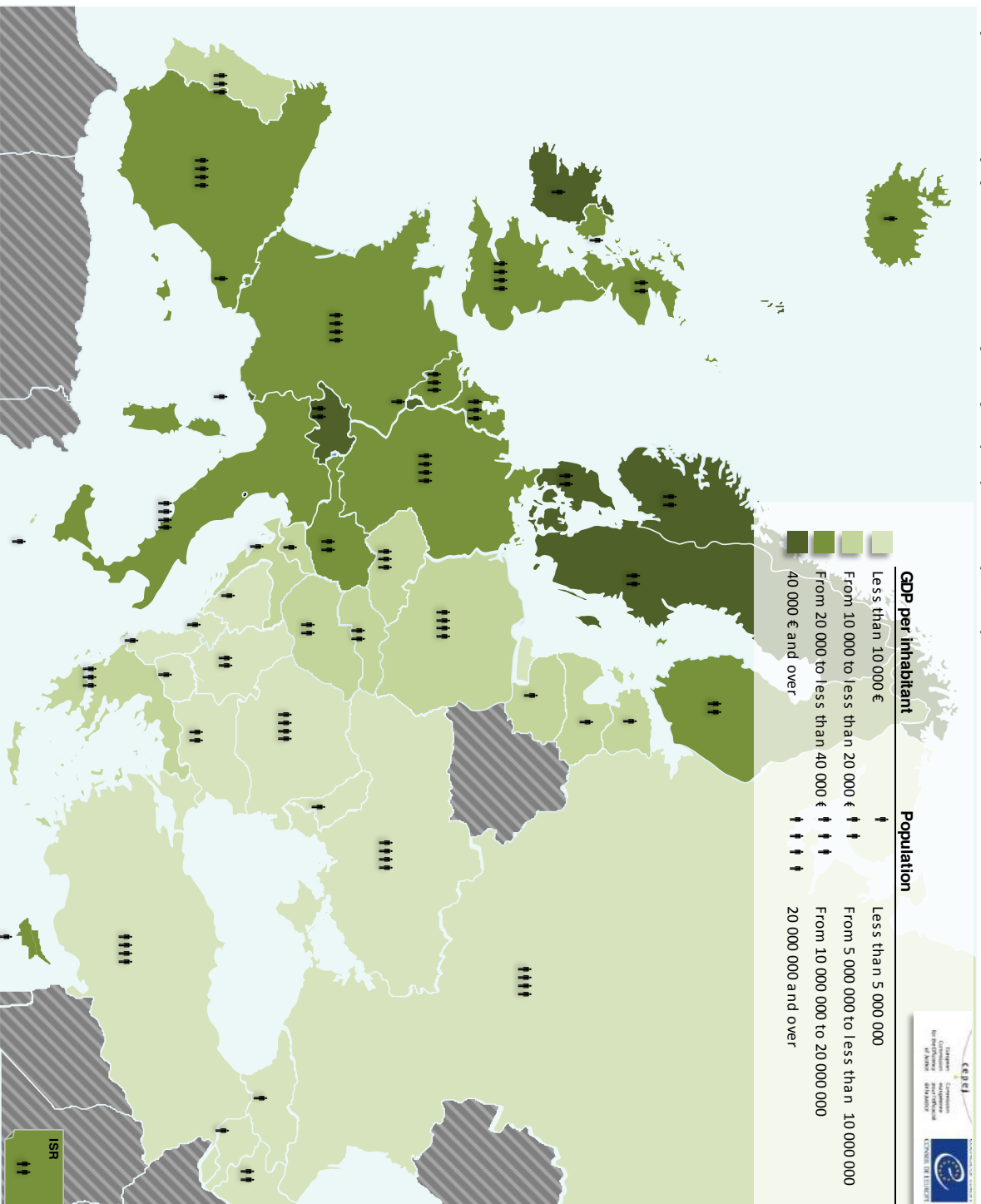
If there was no (valid) information, this is shown by writing "NA" (not available).

In some cases, a question could not be answered because it referred to a situation that does not exist in the responding country. These cases, and cases in which an answer was given but clearly did not match the question, are shown as "NAP" (not applicable).

"FTE" = full time equivalent; number of staff (judges, prosecutors, etc.) are given in full time equivalent so as to enable comparisons (when possible).

"NQ" indicates that a value has been provided by the state or entity but has not been validated by the Secretariat during the quality control process.

Map 1.2: Level of population and GDP per capita (in €) in 2014 (Q1, Q3)



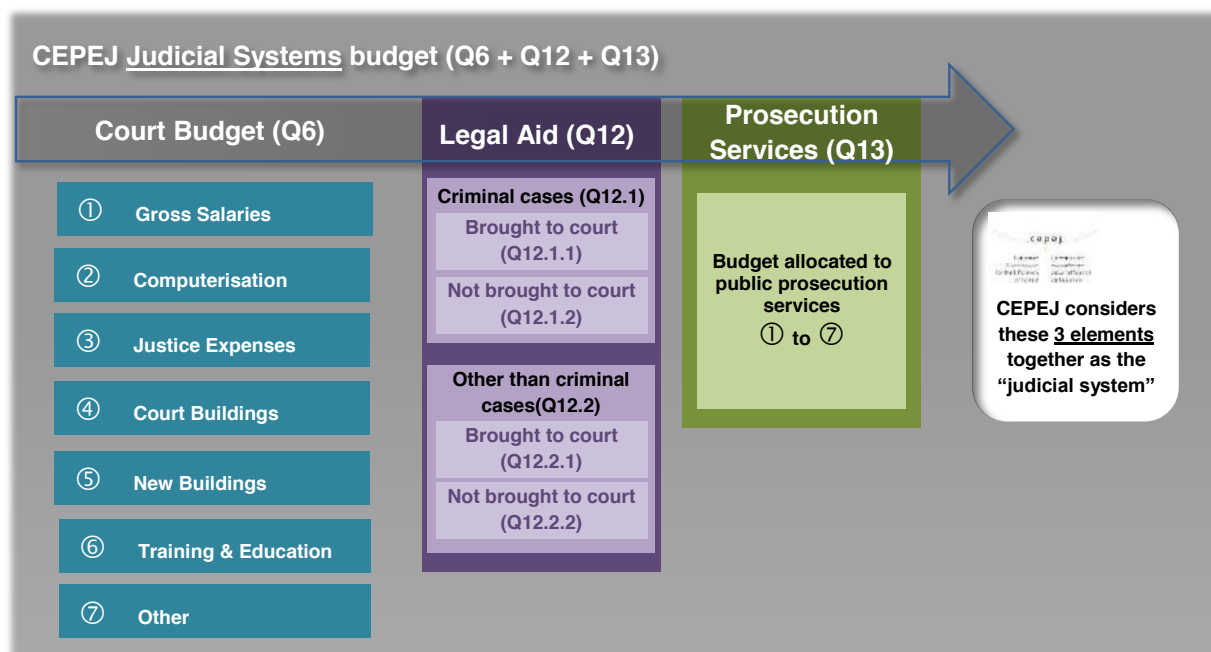
Note to the reader: the maps used in this report indicate with colours the data given by the states for the territories which are effectively concerned (except the territories of Member states which are located beyond the European continent – often islands). Therefore the coloured zones do not correspond necessarily to the geographical borders of the states.

Table 1.3 Exchange rates and their evolution (Q5) - Amount of local currency needed to obtain 1 €

| States/entities | Currency | Exchange rate in 2010 (on 1st Jan. 2011) | Exchange rate in 2012 (on 1st Jan. 2013) | Exchange rate in 2014 (on 1st Jan. 2015) | Appreciation of the € (2012-2014) | Depreciation of the € (2012-2014) |
|------------------------|----------------------|---|---|---|--------------------------------------|--------------------------------------|
| Albania | ALL (Lek) | 138,77000 | 139,04000 | 139,98000 | 0,68% | |
| Armenia | AMD (Dram) | 481,16000 | 481,16000 | 552,11000 | 14,75% | |
| Azerbaijan | AZN (Manat) | 1,05600 | 1,01800 | 0,95220 | | -6,46% |
| Bosnia and Herzegovina | BAM (Mark) | 2,00000 | 1,95583 | 1,95583 | 0,00% | 0,00% |
| Bulgaria | BGN (Lev) | 1,95583 | 1,95583 | 1,95583 | 0,00% | 0,00% |
| Croatia | HRK (Kuna) | 7,38430 | 7,54659 | 7,65771 | 1,47% | |
| Czech Republic | CZK (Koruna) | 25,06000 | 25,14000 | 27,72500 | 10,28% | |
| Denmark | DKK (Krone) | 7,45310 | 7,46040 | 7,44360 | | -0,23% |
| Georgia | GEL (Lari) | 2,37080 | 2,18450 | 2,28810 | 4,74% | |
| Hungary | HUF (Forint) | 278,85000 | 292,96000 | 315,00000 | 7,52% | |
| Iceland | ISK (Krona) | 153,80000 | 169,00000 | 154,00000 | | -8,88% |
| Lithuania | LTL (Litai) | 3,45280 | 3,45280 | 3,45280 | 0,00% | 0,00% |
| Republic of Moldova | MDL (Leu) | 16,10450 | 15,99670 | 18,99660 | 18,75% | |
| Norway | NOK (Krone) | 8,01000 | 7,31750 | 9,05020 | 23,68% | |
| Poland | PLN (Zloty) | 3,96030 | 4,08820 | 4,26230 | 4,26% | |
| Romania | RON (Leu) | 4,28480 | 4,41530 | 4,48210 | 1,51% | |
| Russian Federation | RUB (Ruble) | 41,48760 | 40,22860 | 68,36810 | 69,95% | |
| Serbia | RSD (Dinar) | 105,00000 | 113,12770 | 120,95830 | 6,92% | |
| Sweden | SEK (Krona) | 8,95000 | 8,56880 | 9,43230 | 10,08% | |
| Switzerland | CHF (Franc suisse) | 1,25040 | 1,20720 | 1,20290 | | -0,36% |
| The FYROMacedonia | MKD (Denar) | 61,10000 | 61,50000 | 61,50000 | 0,00% | 0,00% |
| Turkey | TRY (Lira) | 2,07000 | 2,36000 | 2,83910 | 20,30% | |
| Ukraine | UAH (Hryvnia) | 10,57000 | 10,53000 | 19,00000 | 80,44% | |
| UK-England and Wales | GBP (Pound sterling) | 0,85060 | 0,81546 | 0,77880 | | -4,50% |
| UK-Northern Ireland | GBP (Pound sterling) | 0,85060 | 0,81546 | 0,77880 | | -4,50% |
| UK-Scotland | GBP (Pound sterling) | 0,85060 | 0,81546 | 0,77880 | | -4,50% |
| Israel | ILS (Shekel) | | 4,92060 | 4,72460 | | -3,98% |

Chapter 2. Budgets of judicial systems

One of the goals of the CEPEJ is to know, understand and analyse the budgets allocated to the functioning of justice in the States and entities. Therefore this chapter focuses primarily on the budgets allocated to the courts, the public prosecution services, and legal aid, the total of which defines **the judicial system budget within the meaning of the CEPEJ**. The chapter will also deal with the budget of the justice system as a whole, whose scope varies according to the states and the powers of the ministries of justice. Before considering different budgets in detail, it is necessary to recall the definitions adopted by the CEPEJ for the various concepts in order to be able to compare the different states' or entities' systems.



The budget allocated to the **courts** covers the annual public budget allocated to the functioning of all courts, without the public prosecution services and without legal aid. It includes the budgets for gross salaries of judges and of the entire judicial staff and non-judicial staff working in courts, the computerisation, justice expenses (interpreters, experts, etc.), maintenance, leasing and functioning of court buildings, investment in new buildings dedicated to the courts and training.

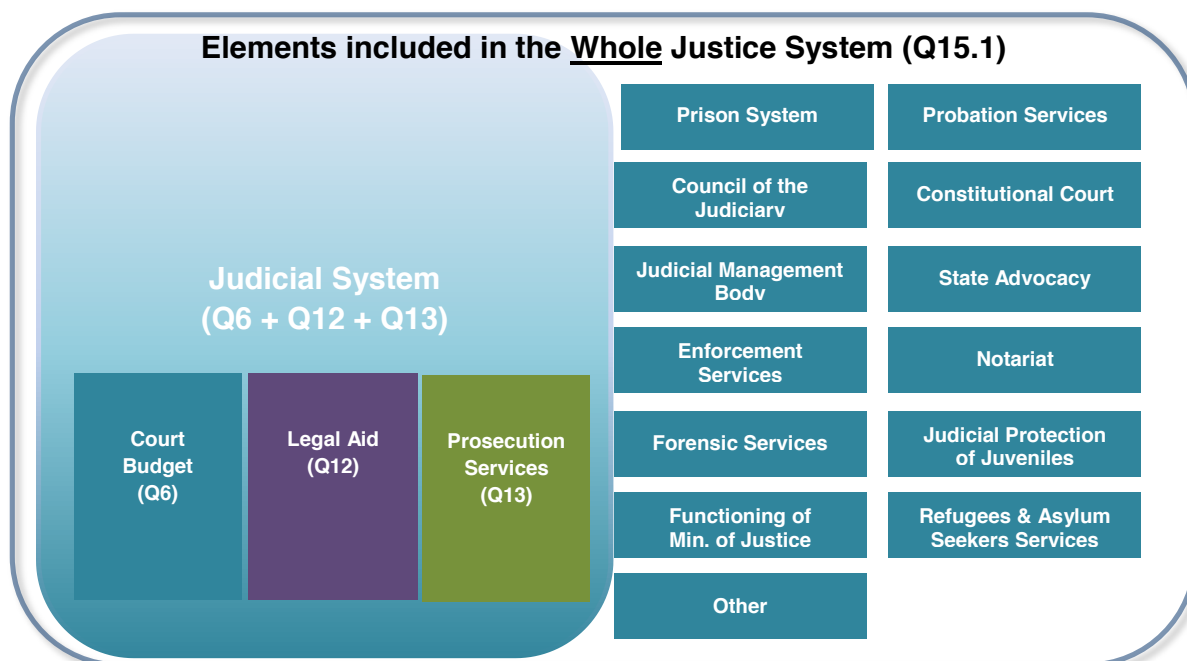
The budget allocated to **legal aid** is interpreted here in a broad sense. It includes the amounts paid to the court users or their lawyers for criminal cases or other than criminal cases brought to court (for instance costs of being represented before the courts) but also amounts paid to individuals in a non-litigious framework of appropriate measures aimed at preventing or accompanying appeals before the courts (for instance conciliation, mediation proceedings, etc.).

The **public prosecutor services**, that is a prosecuting authority composed of prosecutors and staff who assist them, exercise their prerogatives within the definition contained in Recommendation Rec(2000)19 of the Committee of Ministers of the Council of Europe on the role of public prosecution in the criminal justice system: " (...) *authorities who, on behalf of society and in the public interest, ensure the application of the law where the breach of the law carries a criminal sanction, taking into account both the rights of the individual and the necessary effectiveness of the criminal justice system*".

Within the meaning of the CEPEJ, the budget allocated to the **judicial system** includes the budgets of the courts, legal aid and the public prosecutor services as previously defined.

Finally, the **budget allocated to the whole justice system**, integrating in particular the entire budget of the Ministry of Justice, encompasses that of the judicial system and may also include the budgets of the prison system, the probation service, the Councils of the Judiciary, the Constitutional Court, the judicial management body, the State Advocacy, the enforcement services, the notariat, the forensic services, the

judicial protection of juveniles, the functioning of the Ministry of Justice, the refugees and asylum seekers services, some police services, etc.



Insofar as the scope of the Ministry of Justice varies from one state or entity to another, the “justice” budget cannot be used for international comparisons. The comparisons are therefore based on the financial resources devoted only to the judicial systems, the analysis of which must be considered the most relevant in the budgetary part of this report. The budgets allocated to the judicial systems could further be compared to the assessment of judicial activity and efficiency, which will make it possible to compare the investments to the results (input/output) on a similar perimeter. See chapter 5 on Efficiency.

Note: the main originality of the 2016 evaluation cycle lies in the fact that States and entities were invited to enter not only the data relating to the various **approved** budgets for the reference year (that is to say to those approved by the Parliament or another competent public authority) - as in the previous cycles - but also the data on **implemented** budgets (that is to say, corresponding to the actual expenditure incurred in the reference year). These implemented budgets make it possible to provide a better insight into the reality of the budgetary efforts made by the States or entities in 2014.

When looking at the availability of data about the approved against the implemented budget, we see that more States and entities are providing data about the approved budget (Figure 2.1). Fortunately, analysing the data from the States and entities that were able to provide both budgets, it can be noted that the values are very close for all budgetary questions except for the legal aid budget and the CEPEJ has therefore decided to analyse with particular interest the approved budgets. Legal aid is understandably an exception to this principle since only a provisional budget is adopted which can only be measured after its implementation has been registered at the end of the year of actual expenditure. For that reason, significant differences have been observed between the approved budgets and the implemented budgets of legal aid, as shown in Figure 2.2. However, it should be noted that in order to make this analysis possible and extend it to as many States or entities as possible, implemented budgets were taken into consideration for States or entities where approved budget was not available. In cases when the tables/graphs presented include a combination of approved and implemented budgets this is highlighted throughout the report.

Figure 2.1 Availability of budgetary data in 2014 (Q6, Q12, Q13 and Q15.1)

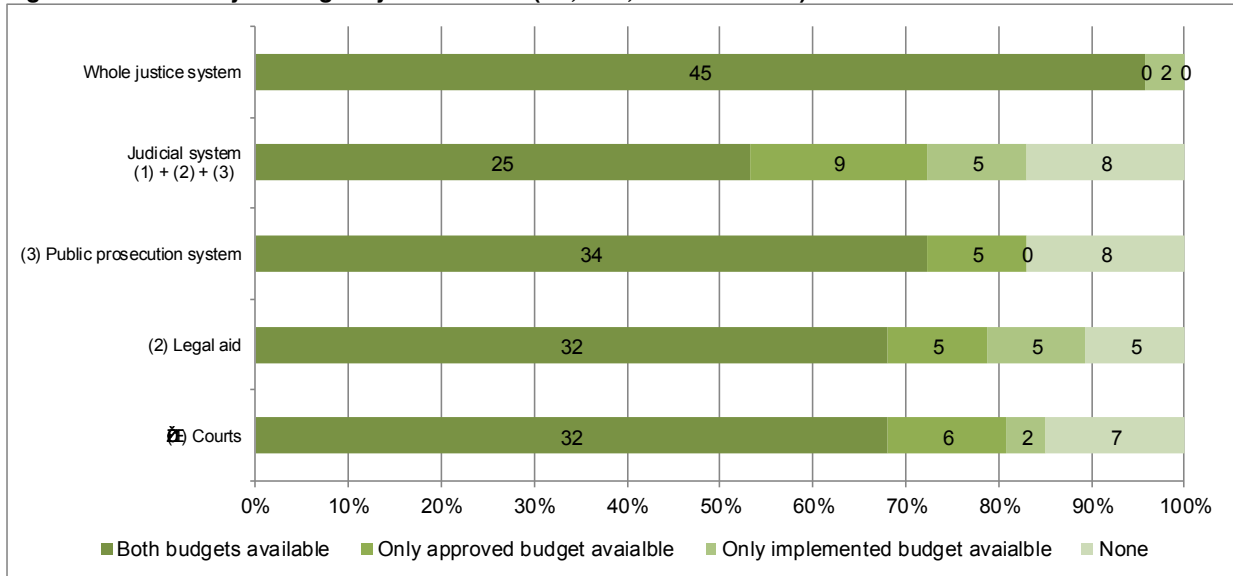
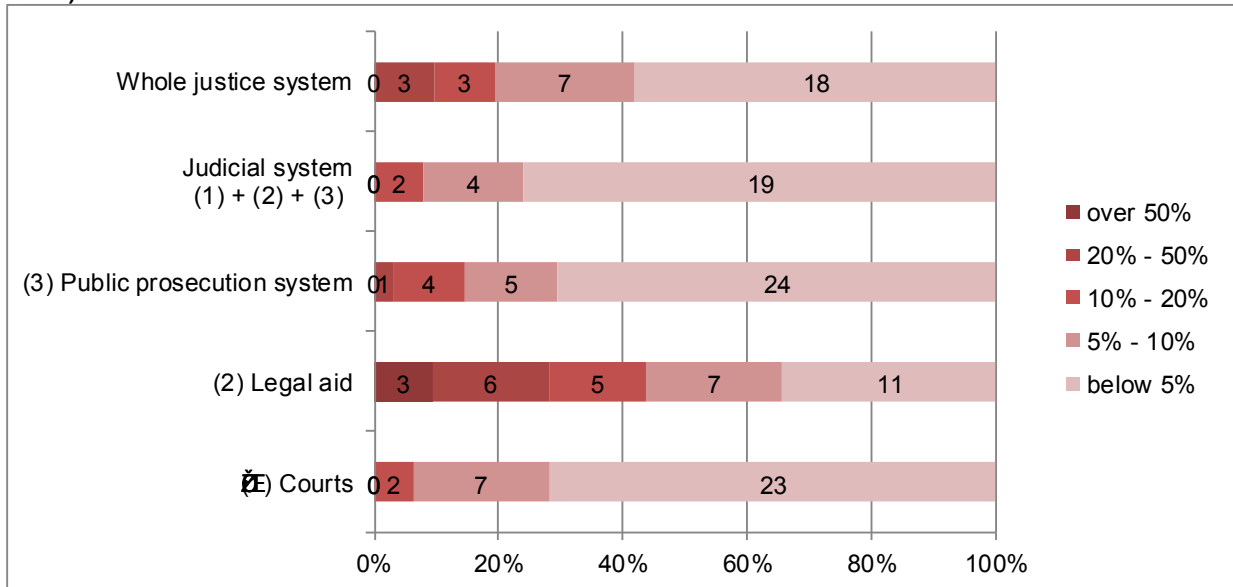


Figure 2.2 Difference between the amounts of approved and implemented budget in 2014 (Q6, Q12, Q13 and Q15.1)



2.1 Annual budget of the whole justice system

Each state or entity was asked to indicate the budget allocated to the whole justice system. But the amounts mentioned do not represent the same reality, given the diversity of the scope of justice used among the States or entities. It is therefore once again recalled that the following data does not allow comparisons between the states, except occasionally for those with similar perimeters.

The budget data presented in this section for **Sweden** correspond to the implemented budget of all courts.

2.1.1 Composition of the annual budget of the whole justice system

2.1.1.1 Part of the annual budget of the judicial system within the annual public budget of the whole justice system

The proportion of the justice budget dedicated to the judicial system (the courts, the public prosecution services, legal aid) can be measured for 38 States or entities.

Table 2.3 Annual public budgets of the judicial system compared with the annual public budget of the whole justice system in 2014 (Q6, Q12, Q13 and Q15-1)

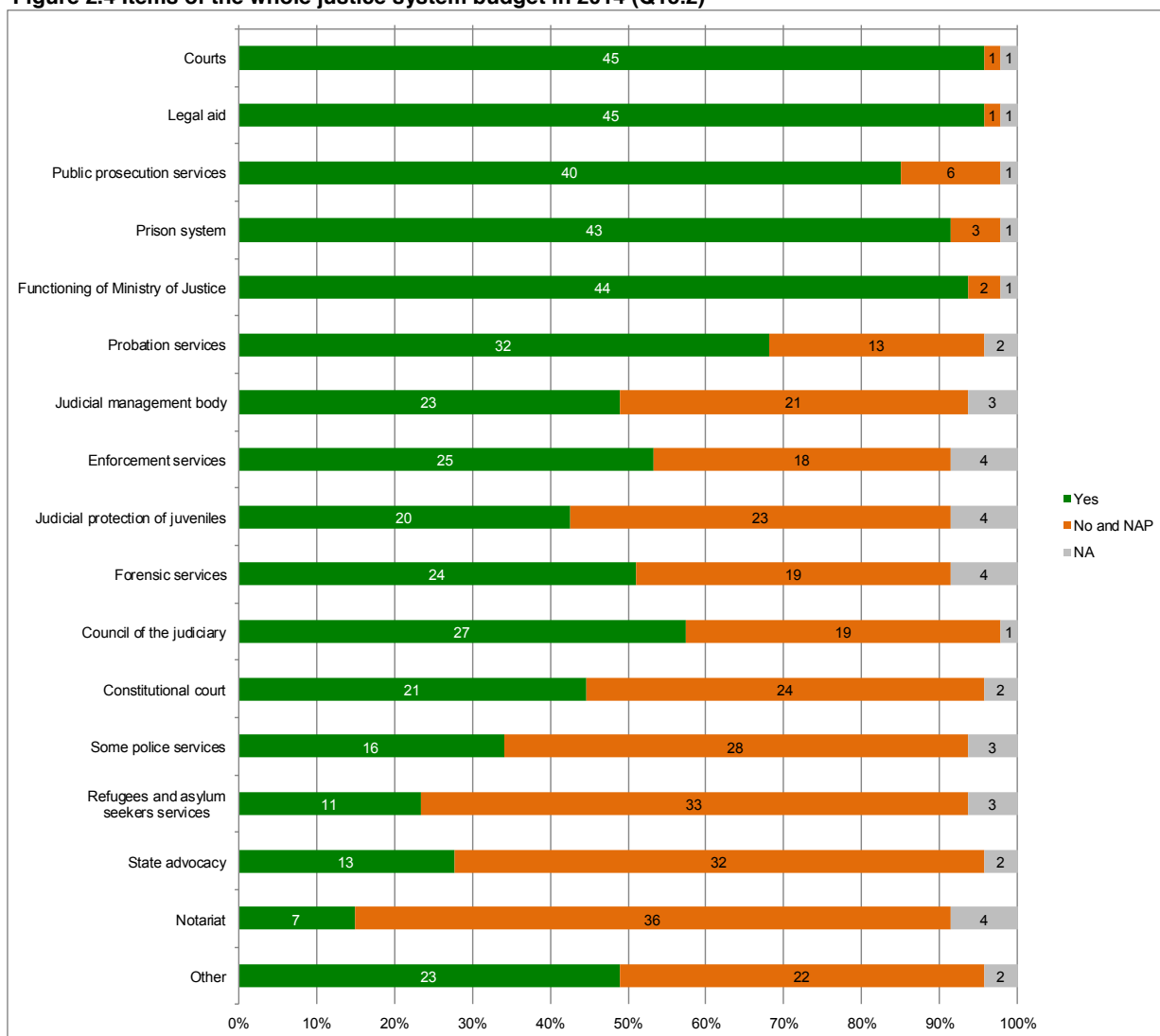
| States/entities | Part of the budget of the judicial system in the budget of the whole justice system | The remaining elements of the budget of the whole justice system | Number of other elements included in the budget of the whole justice system |
|------------------------|---|--|---|
| Albania | 49,6% | 50,4% | 8 |
| Andorra | NA | NA | NA |
| Armenia | NA | NA | NA |
| Austria | 63,4% | 36,6% | 7 |
| Azerbaijan | 57,7% | 42,3% | 10 |
| Belgium | 50,3% | 49,7% | 7 |
| Bosnia and Herzegovina | 58,8% | 41,2% | 10 |
| Bulgaria | 69,4% | 30,6% | 12 |
| Croatia | 68,5% | 31,5% | 9 |
| Cyprus | NA | NA | NA |
| Czech Republic | 93,3% | 6,7% | 7 |
| Denmark | NA | NA | NA |
| Estonia | 65,1% | 34,9% | 12 |
| Finland | 42,6% | 57,4% | 10 |
| France | 50,0% | 50,0% | 10 |
| Georgia | 25,1% | 74,9% | 10 |
| Germany | NA | NA | NA |
| Greece | 75,5% | 24,5% | 11 |
| Hungary | 28,9% | 71,1% | 10 |
| Ireland | 9,9% | 90,1% | 12 |
| Italy | 56,0% | 44,0% | 9 |
| Latvia | 44,8% | 55,2% | 11 |
| Lithuania | 51,9% | 48,1% | 7 |
| Luxembourg | 59,7% | 40,3% | 11 |
| Malta | 16,3% | 83,7% | 12 |
| Republic of Moldova | 43,0% | 57,0% | 11 |
| Monaco | NA | NA | NA |
| Montenegro | 67,0% | 33,0% | 11 |
| Netherlands | 17,5% | 82,5% | 15 |
| Norway | 12,6% | 87,4% | 10 |
| Poland | 72,8% | 27,2% | 8 |
| Portugal | 35,1% | 64,9% | 11 |
| Romania | 73,2% | 26,8% | 9 |
| Russian Federation | 14,1% | 85,9% | 12 |
| Serbia | NA | NA | NA |
| Slovakia | 68,8% | 31,2% | 7 |
| Slovenia | 72,7% | 27,3% | 8 |
| Spain | 74,1% | 25,9% | 13 |
| Sweden | 23,0% | 77,0% | 9 |
| Switzerland | 75,5% | 24,5% | 5 |
| The FYROMacedonia | 63,2% | 36,8% | 9 |
| Turkey | 48,8% | 51,2% | 12 |
| Ukraine | 64,3% | 35,7% | 13 |
| UK-England and Wales | 51,1% | 48,9% | 8 |
| UK-Northern Ireland | 18,7% | 81,3% | 8 |
| UK-Scotland | NA | NA | NA |
| Israel | NA | NA | NA |
| Average | 50,9% | 49% | 10 |
| Median | 54,0% | 46% | 10 |
| Minimum | 9,9% | 7% | 5 |
| Maximum | 93,3% | 90% | 15 |

The participation of the budget of the judicial system into the budget of the whole justice system is on average 50,9 %, with a minimum of about 10 % in **Ireland** and a maximum of 93,3 % in **Czech Republic**. The budget allocated to the judicial system represents 50 % or more of the justice budget in 23 States or entities out of 38. This wide disparity between States or entities can be largely explained by the number of items which are not part of the budget of the judicial system but are nevertheless included in the budget for the whole justice system.

For instance in **Switzerland**, the budget of the whole justice system – constituting 75,5 % of the judicial system budget - has only 5 items. On the contrary, in **Ireland**, the budget of the judicial system represents only 10 % of the whole justice system budget which, however, includes 12 other components.

2.1.1.2 The other items constituting the annual budget of the whole justice system

Figure 2.4 Items of the whole justice system budget in 2014 (Q15.2)



As shown in the table above, most of the States or entities include in the overall justice budget the prison system budget and the budget of the functioning of the Ministry of Justice (43 States or entities). The exceptions to this principle are **Armenia** and the **Czech Republic** as regards the budget of the prison system, and **Sweden** and **Switzerland** as regards the budget of the functioning of the Ministry of Justice.

Many states are also likely to consider that the budget of the probation services is part of the justice budget (32 States or entities).

The budget of the notariat is on the contrary very rarely included in this overall budget. It is included in **Azerbaijan, Denmark, Georgia, Germany, Greece, Ukraine and Israel**.

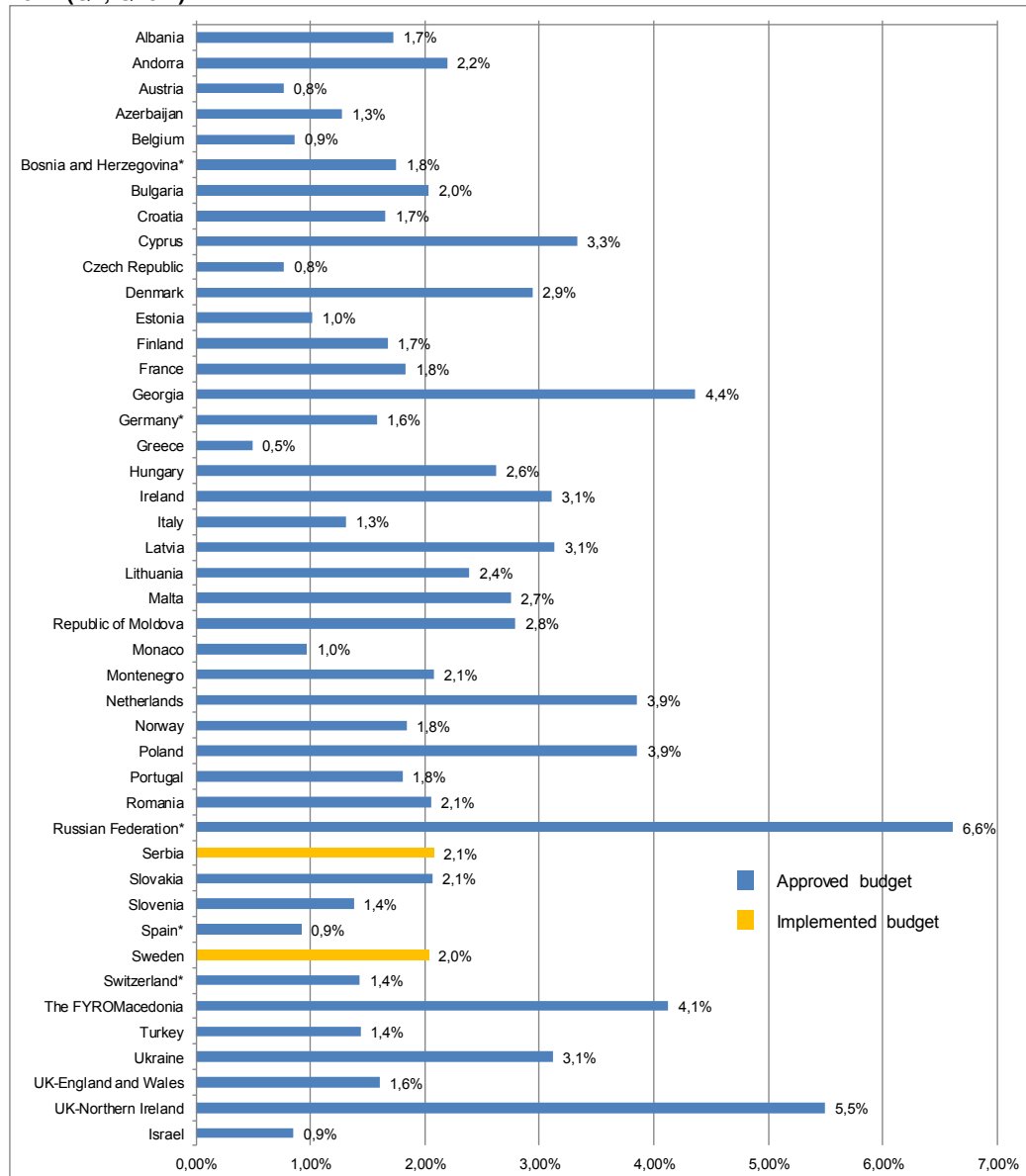
In 16 States or entities, some of the police services are also included in the justice budget. Indeed, in some states, police services cannot only lead the investigation, but also have the power to supervise it and sometimes bring charges before the court. Thus these specialised services perform some of the tasks assigned to the public prosecutor services in other states.

In the end, according to the competences conferred upon the justice system in the States or entities, the overall justice budget may make reference to the aggregation of budgets allocated to a large number of items (15 in the **Netherlands**) or a much more restricted number (5 in **Switzerland**,). It is therefore important to carefully examine the data on the budget of the whole justice system given the absence of a common definition shared by all States or entities.

2.1.2 Portion of the annual justice budget within the total public expenditure

For information purposes, the following figure shows the share of approved budget of the whole justice system within the total public expenditure at the state level (including public deficits), as a percentage. In case of federal states, where the regional public budgets also participate in the functioning of the justice system, this amount is included in the justice budget.

Figure 2.5 Annual public budget of the whole justice system, as a percentage of the total public expenditures in 2014 (Q2, Q15.1)



*Regionals public expenditures (from the various entities of a federal state) are also included in the justice budget

These data should be considered with even more care since the data on state public expenditures - as well as the budget of the whole justice system are subject to differences in definition and calculation methodologies. This figure, however, gives an idea of the budgetary effort made by the public authorities to promote the entire justice system. Where relevant, the CEPEJ has taken into account the public expenditures of those regional entities (various entities within a federation) which have major powers in respect of the funding of justice within the state organisation.

Given the justice systems' diversity, the budgetary assessment in this report is not based on the budget of the whole justice system but on the analysis of budgets of the judicial systems according to the definition established by the CEPEJ with a view of enabling comparisons between States or entities.

2.2 Annual public budget of the judicial system

As indicated before, the budget of the judicial system is understood as the sum of the budgets allocated to the courts, legal aid and the public prosecution services. Such data related to the budget of the judicial system have the advantage of being based on a common definition validated by experience as it is one of the most long-standing CEPEJ definitions. Thus, these data enable a comparative analysis which is, however, relevant only if we put into perspective the budgets of the judicial system in order to place them in their global context (size and wealth of the state or entity, organisation of the judicial system, etc.).

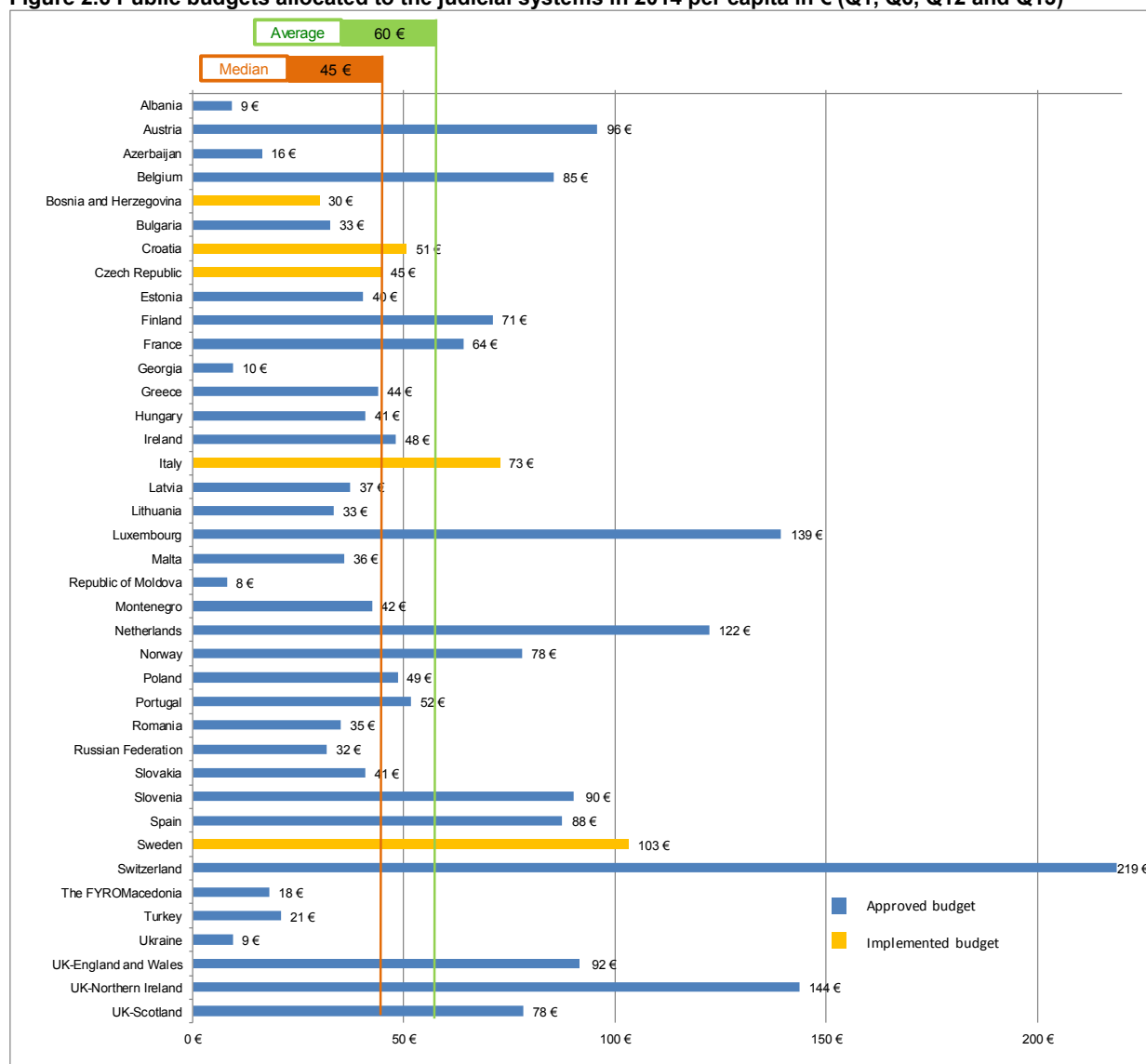
In this part, in order to analyse the largest possible number of States or entities, the approved and executed budgets of the judicial systems are presented together. This means that the budgets in the tables or graphs are the approved budgets when they were provided. Implemented budgets are used for the states where the approved budget is not available, that is to say for **Bosnia and Herzegovina, Croatia, Czech Republic, Italy, and Sweden.**

2.2.1 Budget allocated to the judicial system in 2014

The analysis of the budget of the judicial system covers 39 States or entities.

2.2.1.1 Budget of the judicial system per capita in 2014

Figure 2.6 Public budgets allocated to the judicial systems in 2014 per capita in € (Q1, Q6, Q12 and Q13)



The European average of the budget allocated to the judicial system per capita in 2014 for the responding States or entities is 60 € and the median - less sensitive to extreme values – is 45 €.

This is a result of the outlier values for several wealthy states that influence the average to a considerable extent. Four groups of states can be specified:

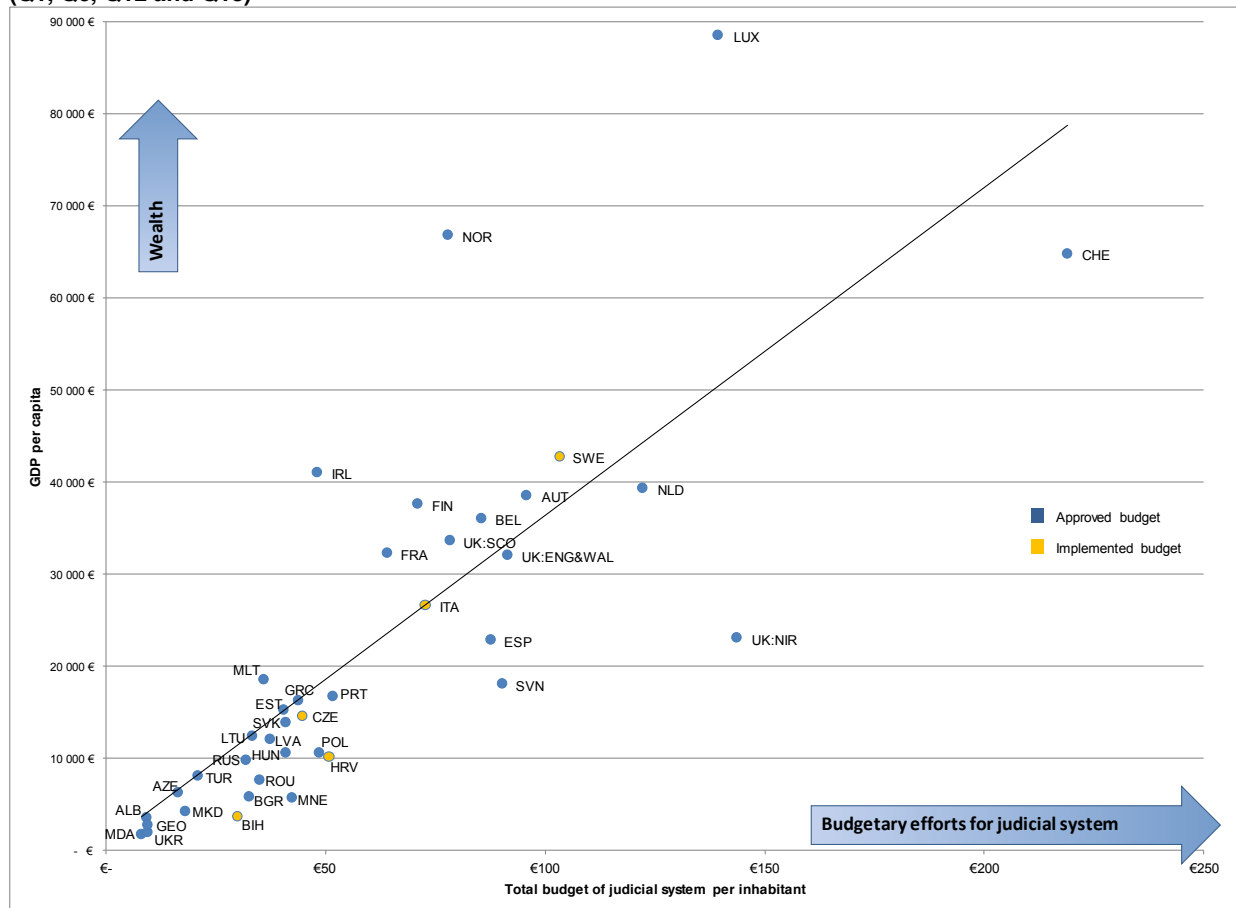
- the states allocating less than 25 € per capita to their judicial systems constitute the first group. It includes 7 states: the **Republic of Moldova** (8 €), **Albania** (9 €), **Ukraine** (9 €), **Georgia** (10 €), **Azerbaijan** (16 €), “**the former Yugoslav Republic of Macedonia**”(18 €) and **Turkey** (21 €),
- the second group includes 17 states with a budget per capita between 25 and 60 €: **Bosnia and Herzegovina** (30 €), **Russian Federation** (32 €), **Bulgaria** (33 €), **Lithuania** (33 €), **Romania** (35 €), **Malta** (36 €), **Latvia** (37 €), **Estonia** (40 €), **Slovakia** (41 €), **Hungary** (41 €), **Montenegro** (42 €), **Greece** (44 €), **Czech Republic** (45 €), **Ireland** (48 €), **Poland** (49 €), **Croatia** (51 €) and **Portugal** (52 €).

- the third group gathers 10 States or entities whose per capita budget allocated to the judicial system is between 60 and 100 €: **France** (64 €), **Finland** (71 €), **Italy** (73 €), **Norway** (78 €), **UK-Scotland** (78 €), **Belgium** (85 €), **Spain** (88 €), **Slovenia** (90 €), **UK-England and Wales** (91 €) and **Austria** (96 €).
- the fourth group includes **Sweden** (103 €), **Netherlands** (122 €), **Luxembourg** (139 €), **UK-Northern Ireland** (144 €) and **Switzerland** (219 €), each allocating over 100 € per capita to their judicial system.

2.2.1.2 Annual public budget of the judicial system compared to the wealth of States or entities in 2014

Putting into perspective the budget allocated to the judicial system according to the population is not sufficient to make a meaningful analysis of the data presented. Indeed, two states presenting similar budgets allocated to the judicial system per capita can be very different from the perspective of their level of wealth. Consequently, the same budget per capita does not represent the same budgetary effort depending on whether a country is relatively poor or rich. Therefore, the budget allocated to the judicial system should be put into perspective by comparing it to a measure of the countries' wealth, the GDP per capita.

Figure 2.7 Budgets allocated to the judicial systems per capita compared with the GDP in 2014 (Q1, Q6, Q12 and Q13)



The figure above shows that there is a positive correlation between the level of wealth of the States or entities and the resources allocated to the judicial systems. This positive correlation is represented by a trend line.

The states situated below the trend line make a relatively high budgetary effort for their judicial systems given their wealth. The more a state or entity is at the bottom right of the graph, the more its budgetary effort may be considered significant in view of its wealth. States or entities above the trend line are on the contrary states whose budgetary effort seems more moderate compared to their wealth.

For illustrative purposes, it can be noticed that the budgets allocated to the judicial system in **Ireland** (above the trend line) and **Poland** (below the trend line) were 48,1 € and 48,5 € per capita, respectively. The figure supports an understanding that despite a per capita budget almost identical to that of **Ireland**, **Poland** achieves a much greater budgetary effort insofar as its level of wealth is 4 times lower than that of **Ireland**.

Similarly, **Belgium** and **Spain**, although their budgets per capita are close (85 and 87,5 € respectively), cannot be compared in terms of their wealth because the GDP per capita of **Belgium** is about 1,5 times higher than that of **Spain**. It is more relevant to compare **Belgium** with a similar group of states in respect of wealth such as **UK-Scotland**, **France**, **Finland**, **Austria**, **Netherlands**, **UK-England and Wales** and **Ireland**. Within this group, the **Netherlands** perform an effort 2.5 times higher than **Ireland** and 1,9 times higher than **France** in favour of their judicial system.

In a lower range of GDP per capita, **Spain** may be compared to **UK-Northern Ireland**, **Malta**, **Slovenia** and **Portugal**. Within this group of states, comparable in terms of their wealth, budget discrepancies are particularly noticeable. For example, the budget allocated to the judicial system per capita in **UK-Northern Ireland** is 1,6 times higher than in **Spain** and in **Slovenia**, almost 3 times higher than in **Portugal**, and 4 times higher than in **Malta**.

Among the less wealthy European States - whose GDP per capita is less than 10 000 € - **Azerbaijan** and **Bulgaria** have very similar levels of income (around 6000 € per capita). **Bulgaria**, however, invests about 2 times more in its judicial system than **Azerbaijan**. Finally, **Bosnia and Herzegovina** spends about 3 times more than **Albania** although their respective GDPs are at quite similar levels.

The particularly high GDP per capita in **Luxembourg** (approximately 5 times higher than the European median of GDP per capita, **Norway** and **Switzerland** (approximately four times higher than the European median of GDP per capita) deserve to be noted. The data might give the impression that these states do not make a significant budgetary effort for their courts. While the budget of **Switzerland** appears high in its volume, that of **Norway** is close to the budgets of **Belgium**, **Finland**, and **UK-Scotland** and that of **Luxembourg** is close to the budget of **UK-Northern Ireland**, that is still among the highest in Europe.

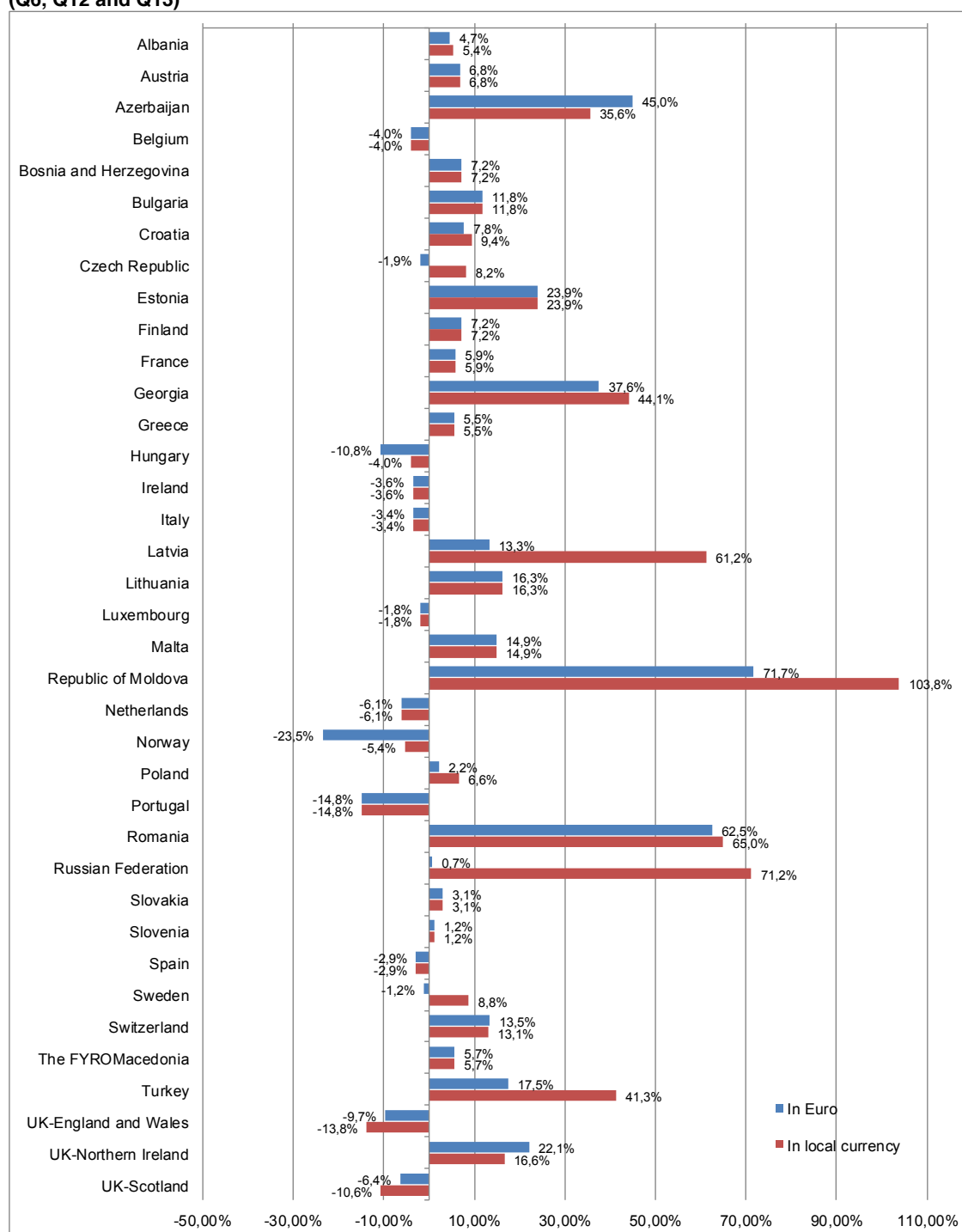
Finally, **Bosnia and Herzegovina**, **Bulgaria**, **Republic of Moldova**, **Montenegro**, **Poland**, **Romania**, **Slovenia**, **Ukraine** and **UK-Northern Ireland** are the States or entities whose investments are the most significant given their wealth. The budgetary efforts of these States or entities have already been highlighted in the previous evaluation cycles. It should be recalled that some states have benefited in recent years from significant assistance, in particular from the European Union and other international assistance for the operation of the rule of law (**Bosnia and Herzegovina**, **Bulgaria**, **Poland**, **Slovenia**).

Of course, if this linkage of budgets per capita allocated to the judicial systems with the wealth of the states leads to a more fine-tuned and more complex analysis than the analysis of raw data, it is however not sufficient to interpret in a fully accurate manner the budget data on judicial systems. The reality of the systems is even more complex. In order to avoid premature comparisons, the specificities of the judicial systems which may explain the variations from one state to another should also be taken into account. Organisational aspects, a particular way of functioning, different processes and a different legal tradition may help explain the discrepancies observed.

2.2.2 Evolution of the budget allocated to the judicial system

2.2.2.1 Evolution of the budget allocated to the judicial system between 2012 and 2014

Figure 2.8 Variation of budgets of judicial systems between 2012 and 2014 in € and local currency (Q6, Q12 and Q13)



The variation of the budget allocated to the judicial system between 2012 and 2014, expressed in euros, can be measured for 37 States or entities.

Estonia, the **Republic of Moldova** and **Spain** have changed their budget calculation mode for the latest evaluation exercise. Budget variations are to be considered carefully.

The disparities among States and entities are very strong : 24 states out of 37 have increased their budget between 2012 and 2014 : **Russian Federation** (+ 0,72%), **Slovenia** (+ 1,16 %), **Poland** (+2,23 %) , **Slovakia** (+ 3,07 %), **Albania** (+ 4,65 %), **Greece** (5,54 %), “**the former Yugoslav Republic of Macedonia**” (+ 5,67%), **France** (+ 5,85 %), **Austria** (+ 6,78 %), **Finland** (+ 7,19 %), **Bosnia and Herzegovina** (+ 7,19 %), **Croatia** (+ 7,8 %), **Bulgaria** (+ 11,76 %), **Latvia** (+ 13,30 %), **Switzerland** (+ 13,47%), **Malta** (+ 14,86%), **Lithuania** (+ 16,29 %), **Turkey** (17,47 %), **UK-Northern Ireland** (+ 22,11 %) , **Estonia** (+ 23,90 %) , **Georgia** (+ 37,58 %) , **Azerbaijan** (+ 44,95 %), **Romania** (+ 62,49 %), **Republic of Moldova** (+ 71,66 %).

By contrast, 9 out of 37 States or entities have reduced their budget: **Luxembourg** (- 1,84 %), **Spain** (- 2,88 %), **Italy** (- 3,40 %), **Ireland** (- 3,58 %), **UK-England and Wales** (- 4 %), **Netherlands** (- 6,08 %), **UK-Scotland** (- 6,44 %), **Hungary** (- 10,75 %), **Belgium** (- 11,78 %), **Portugal** (- 14,83 %) and **Norway** (- 23,51 %).

For states outside the Euro zone, these results must be tempered because of the variation in the exchange rates between national currencies and the Euro over the same period. Indeed, major variations in exchange rates can have a significant impact on the budgetary data expressed in euros.

Thus, the increase of the budget allocated to the judicial system is less significant for the States or entities whose currencies have appreciated against the Euro. This is particularly the case for **Azerbaijan** (+ 6,46 %), **UK-Northern Ireland** (+ 4,50 %) and to a lesser extent **Switzerland** (+ 0,36 %).

The decrease in the budget allocated to the judicial system in **UK-Scotland** and **UK-England and Wales** between 2012 and 2014 is amplified when taking into account the appreciation of the Pound Sterling during the period.

However, the growing budgetary efforts in favour of the judicial system are even more important than what appears in the table above, considering the negative variation in exchange rates between 2012 and 2014 in **Albania** (- 0,68 %), **Croatia*** (- 1,47%), **Georgia** (- 4,74 %), **Republic of Moldova** (-18,75 %), **Poland** (- 4,26 %), **Romania** (- 1,51 %), **Russian Federation** (- 69,95 %) and **Turkey** (- 20,30 %).

In **Norway** and **Hungary**, the decrease in the budget is tempered by the decrease in the exchange rate between the national currency and the Euro (- 23,68 % and – 7,52 %, respectively). In the **Czech Republic** and **Sweden**, the depreciation of the exchange rate over the period (- 10,28 % and – 10,08 %, respectively) gives the illusion of a decrease in the budget allocated to the judicial system, while it has actually increased in local currency.

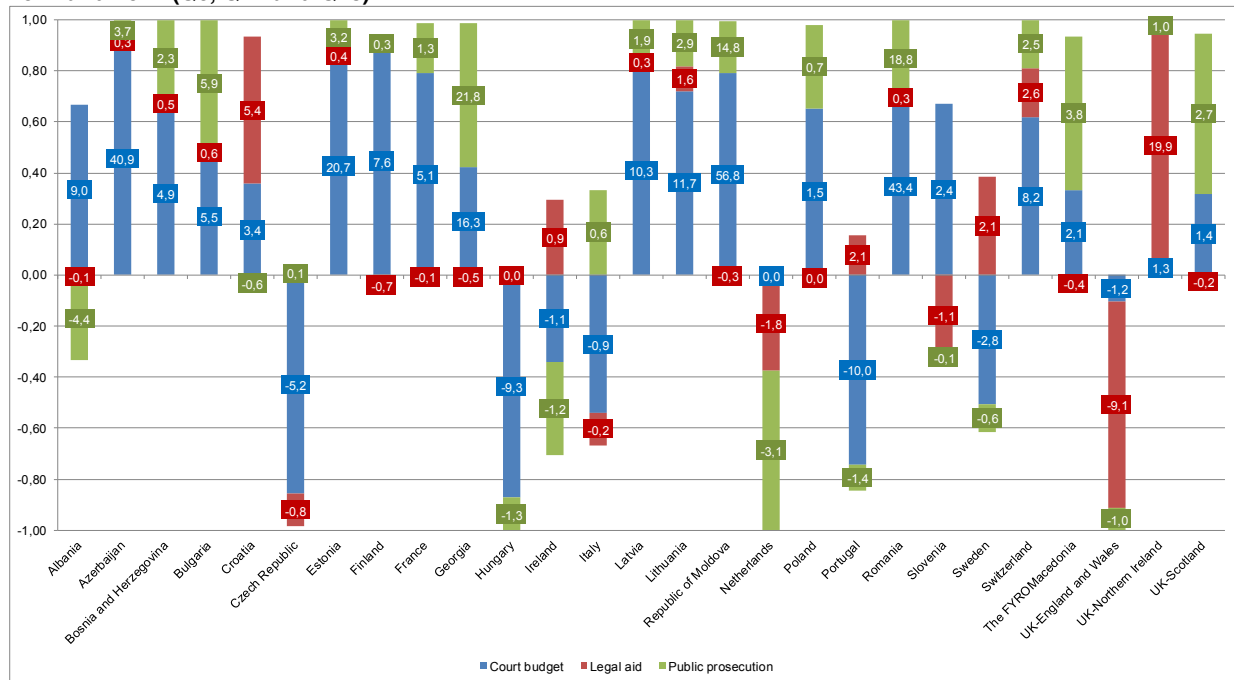
Some budget variations observed here must also be relativized in terms of inflation rates in the states over the period 2012-2014. For example, the high inflation rate experienced by the **Republic of Moldova** and the **Russian Federation** between 2012 and 2014 partially compensate for the decrease in the exchange rate over the same period. High inflation also cancels the budget increases in **Romania**, **Estonia** and **Finland**.

Budget cuts made by **Hungary** and **Norway** between 2012 and 2014 - when measured in real terms (that is to say taking into account the general increase in prices) - are amplified by high inflation rates.

Note for the reader: the term “inflation” refers to the widespread and sustainable increase in prices and salaries. To the extent that the budget of the judicial system corresponds to a total expenditure of goods and services, a budget increase can be attributed to 1) an increase in the use of goods and services or 2) an increase in the prices of these goods and services. Taking inflation into account regarding variations in the budget allocated to the judicial system can neutralize the price effect so as to better reflect the capacity of States or entities to devote more resources to their legal system. Thus, the actual budget variation is a better measurement of the efforts made.

In order to reflect the reasons of the evolution of the budget allocated to the judicial system in each state or entity the contributions of the courts budget, legal aid and prosecution services to the overall evolution of the budgets of the national judicial systems can be presented. These contributions have been measured for 27 States or entities.

Figure 2.9 Proportion of the various components of the budgets of the judicial systems in the variation between 2012 and 2014 (Q6, Q12 and Q13)



Note for the reader: the evolution of the budget allocated to the judicial system can be decomposed into the sum of the contributions of its various components: the court budget, the legal aid budget and the prosecution service budget. The contribution of a component to the evolution of the budget of the judicial system between 2012 and 2014 is equal to the product (multiplication) of the variation rate of this component between 2012 and 2014 and its weight in the budget of the judicial system in 2012. It should therefore be kept in mind that a component can have a significant impact on the evolution of the budget of the judicial system 1) because its weight in the budget of the judicial system is significant and/or 2) because its variations are significant.

In 12 States or entities which increased their budget allocated to the judicial system between 2012 and 2014, the three components of the judicial system (courts, prosecution and legal aid) increased (**Azerbaijan, Bulgaria, Estonia, Latvia, Lithuania, Malta, Republic of Moldova, Poland, Romania, Russian Federation, Switzerland and UK-Northern Ireland**).

However, the table above clarifies that the increase in the budget of the judicial system is mainly due to an increase in the budget allocated to the courts in **Azerbaijan, Estonia, Latvia, Lithuania, Malta, Republic of Moldova and Romania**. It is divided between an increase in the budget allocated to courts and an increase in the budget allocated to the prosecution in **Bulgaria, Poland and the Russian Federation**.

Additional efforts on legal aid also explain for an important part of the increase of the budget of the judicial system in **Switzerland**. In **UK-Northern Ireland**, budgetary efforts mainly focus on legal aid.

In **Finland and France**, the budgetary restrictions affecting legal aid are largely compensated by the increase in the court budget. In **Georgia** and **“the former Yugoslav Republic of Macedonia”**, they are compensated by an increase in the budget allocated to prosecution.

In **Spain**, the additional financial efforts regarding prosecution do not compensate for the noticeable decrease in the budget allocated to the courts. The decrease in the budget of the judicial system in **UK-Scotland** is mainly due to budget cuts affecting the legal aid system, while efforts have been made as regards the functioning of the courts and the prosecution.

In **Albania** the budget of the judicial system continues to increase despite a significant decrease in the budget allocated to the prosecution. **Slovenia** increases its financial support for the functioning of the courts in spite of reduced budgets allocated to legal aid and prosecution.

5 states have chosen to reduce the budgets of the three components of the justice system - **Hungary, Ireland, Netherlands, Norway** and **Portugal** - with particular emphasis on the courts in **Hungary** and **Portugal** and on legal aid in **Norway**.

The following sections sets out the reasons for the variations of the various components by state or entity.

2.2.2.2 Evolution of the budget allocated to the judicial system between 2010 and 2014

Table 2.10 Evolution of the budgets of the judicial systems between 2010 and 2014, in absolute values (Q6, Q12 and Q13)

| States/entities | Budget of the judicial system | | | Evolution |
|-------------------------|-------------------------------|-----------------|-----------------|-----------|
| | 2010 | 2012 | 2014 | |
| Albania | 19 476 006 € | 25 573 987 € | 26 764 295 € | |
| Andorra | | | | |
| Armenia | 16 076 398 € | | | |
| Austria | 709 980 000 € | 770 790 000 € | 823 053 000 € | |
| Azerbaijan | 80 667 565 € | 107 058 274 € | 155 184 273 € | |
| Belgium | 934 837 000 € | 998 125 000 € | 958 368 000 € | |
| Bosnia and Herzegovina* | 99 652 163 € | 106 816 022 € | 114 496 991 € | |
| Bulgaria | 195 282 117 € | 209 739 354 € | 234 412 470 € | |
| Croatia* | 252 830 027 € | 198 808 412 € | 214 245 721 € | |
| Cyprus | | 50 109 977 € | | |
| Czech Republic* | 458 305 311 € | 479 600 709 € | 470 508 165 € | |
| Denmark | | 421 337 784 € | | |
| Estonia | 38 915 167 € | 42 819 672 € | 53 052 326 € | |
| Finland | 344 103 350 € | 362 713 356 € | 388 794 000 € | |
| France | 3 935 548 101 € | 4 014 305 137 € | 4 249 220 442 € | |
| Georgia | 24 628 865 € | 25 980 182 € | 35 742 630 € | |
| Germany | 8 651 468 596 € | 9 170 186 780 € | | |
| Greece | 623 500 911 € | 450 970 924 € | 475 976 539 € | |
| Hungary | 362 127 276 € | 452 447 662 € | 403 794 297 € | |
| Ireland | 280 011 000 € | 230 777 000 € | 222 504 000 € | |
| Italy* | 4 427 485 116 € | 4 575 001 196 € | 4 418 309 125 € | |
| Latvia | 53 676 350 € | 65 953 173 € | 74 726 905 € | |
| Lithuania | 84 029 050 € | 83 783 573 € | 97 433 726 € | |
| Luxembourg | 73 458 676 € | 79 964 334 € | 78 492 650 € | |
| Malta | 12 914 000 € | 13 405 486 € | 15 397 603 € | |
| Republic of Moldova | 13 203 006 € | 16 671 277 € | 28 617 298 € | |
| Monaco | 5 387 800 € | 5 947 556 € | | |
| Montenegro | 25 290 803 € | | 26 300 915 € | |
| Netherlands | 2 090 383 000 € | 2 200 997 500 € | 2 067 208 000 € | |
| Norway | 440 129 410 € | 526 767 700 € | 402 901 906 € | |
| Poland | 1 700 843 570 € | 1 827 573 567 € | 1 868 303 395 € | |
| Portugal | 700 486 047 € | 629 660 262 € | 536 304 306 € | |
| Romania | 525 590 308 € | 480 890 952 € | 781 410 270 € | |
| Russian Federation | 3 953 130 968 € | 4 618 618 786 € | 4 651 726 759 € | |
| Serbia | | | | |
| Slovakia | 204 912 226 € | 214 796 609 € | 221 391 346 € | |
| Slovenia | 203 256 633 € | 183 695 911 € | 185 824 489 € | |
| Spain | 4 202 016 219 € | 4 187 102 620 € | 4 066 718 895 € | |
| Sweden* | 880 260 565 € | 1 018 131 920 € | 1 005 948 856 € | |
| Switzerland | 1 314 140 122 € | 1 589 359 782 € | 1 803 386 843 € | |
| The FYROMacedonia | | 35 542 317 € | 37 558 709 € | |
| Turkey | 1 234 286 802 € | 1 385 201 689 € | 1 627 197 764 € | |
| Ukraine | | | 405 287 184 € | |
| UK-England and Wales | 4 458 810 000 € | 5 824 650 441 € | 5 257 469 184 € | |
| UK-Northern Ireland | 222 934 000 € | 216 503 000 € | 264 381 036 € | |
| UK-Scotland | | 447 360 849 € | 418 550 612 € | |
| Israel | | | | |
| Average | 1 124 462 424 € | 1 179 164 408 € | 1 004 281 152 € | |
| Median | 344 103 350 € | 421 337 784 € | 402 901 906 € | |
| Minimum | 5 387 800 € | 5 947 556 € | 15 397 603 € | |
| Maximum | 8 651 468 596 € | 9 170 186 780 € | 5 257 469 184 € | |

*for these countries in 2014 the approved budget is not available and the implemented budget is presented

Over a longer period, it is possible to analyse the evolution of the budget allocated to the judicial system for 35 States or entities.

Compared to the previous period analysed by the CEPEJ (2010-2012), on average, European States have increased the budget of their judicial system much more significantly (+ 7,11 % in 2010-2012; + 8,58 % in 2012-2014). This very positive trend - which should be confirmed during the next evaluation exercise - seems to mark for most States and entities the end of the budget cuts imposed in recent years as a result of the economic and financial crisis.

It may be noted that for 7 States or entities, the trend changed positively between 2012 and 2014 compared to the previous evaluation (2010-2012). Budgets, which were reduced between 2010 and 2012, have increased between 2012 and 2014 in **Croatia, Greece, Lithuania, Montenegro, Romania, Slovenia** and **UK-Northern Ireland**.

It should be recalled that the previous evaluation highlighted budgetary restriction measures adopted relatively late by some of these states (especially **Croatia, Greece, Lithuania, Romania** and **Slovenia**).

Greece still mentions a tight control of expenditure by the Ministry of Finance given the economic situation. However the increase of its budget allocated to the judicial system can be noted. This feature can be explained primarily by major financial efforts accompanying the launch of a computerization project of the courts and by an increase in expenses relating to legal aid. **Lithuania** clearly reports a resumption of investments following the end of the economic and financial crisis. Since 2012-2013, the National Courts Administration is responsible for financing real estate projects, IT, training of personnel and enhancing courts' security. **Lithuania** receives financial support from **Norway** and **Switzerland** in relation to some of these undertakings. A budget increase in **Romania** is partly due to a sharp increase in legal costs following the implementation of the new Code of Criminal Procedure as from February 2014. A significant increase in expenses related to salaries is also linked to regularisations for court staff and prosecution and a growing number of posts filled (resulting in the payment of additional social contributions and more repayments related to transportation expenses, medical expenses, housing, etc.). **Romania** emphasizes the continuous commitment on the part of the state since 2008 to promote legal aid.

Some states which introduced budgetary restraint measures relatively soon after the crisis of 2007-2008 were already able to increase their budget during the period 2010-2012. The continuation of the budgetary catching-up between 2012 and 2014 in **Albania, Bosnia and Herzegovina, Estonia, Finland, Georgia, Latvia** and **Slovakia**, may be noted, which confirms the end of budgetary crisis implications for these states. If in **Estonia** the recent increase of the budget allocated to the judicial system is mainly explained by an increase in payroll (increase of salary, pensions of judges and number of judicial assistants), in **Finland** it is mainly due to an increase in legal costs (costs of translation and interpretation, compensation of witnesses), while in **Albania**, it is mainly explained by expenses related to installing IT systems in seven new administrative courts and by replacing IT systems in ten other courts. The financial efforts of **Latvia** (including through support from the European Union) cover all components of the judicial system. They target courts, through programmes of modernisation of computer equipment, strengthening the security of courts, or legal aid - through the development of a dedicated system – as well as the prosecution services.

The continued increase over the period (2010-2014) of the budgets allocated to the judicial system in **Austria, Azerbaijan, Bulgaria, France, Malta, Republic of Moldova, Poland, Russian Federation, Switzerland** and **Turkey** may also be emphasized (as well as in **Czech Republic** and **Sweden** after taking into account the depreciation of the exchange rate between 2012 and 2014). In **Azerbaijan** and **Republic of Moldova**, the overall increase in the budget allocated to the judicial system is mainly explained by the deployment of financial resources necessary for the implementation of plans for reform and modernisation of the justice sector. In **Republic of Moldova** this reform is supported financially by the European Union. Organizational changes may also explain the increase in the budget allocated to the judicial system. **Bulgaria** refers to a structural reform of the prosecution services, and **Austria** to mergers between courts involving accompanying reconstructions.

Budget cuts have been increased or extended in recent years in **Ireland, Portugal** and **Spain**. In these three states, budgetary restraint measures continue to adversely affect the resources allocated to the judicial system.

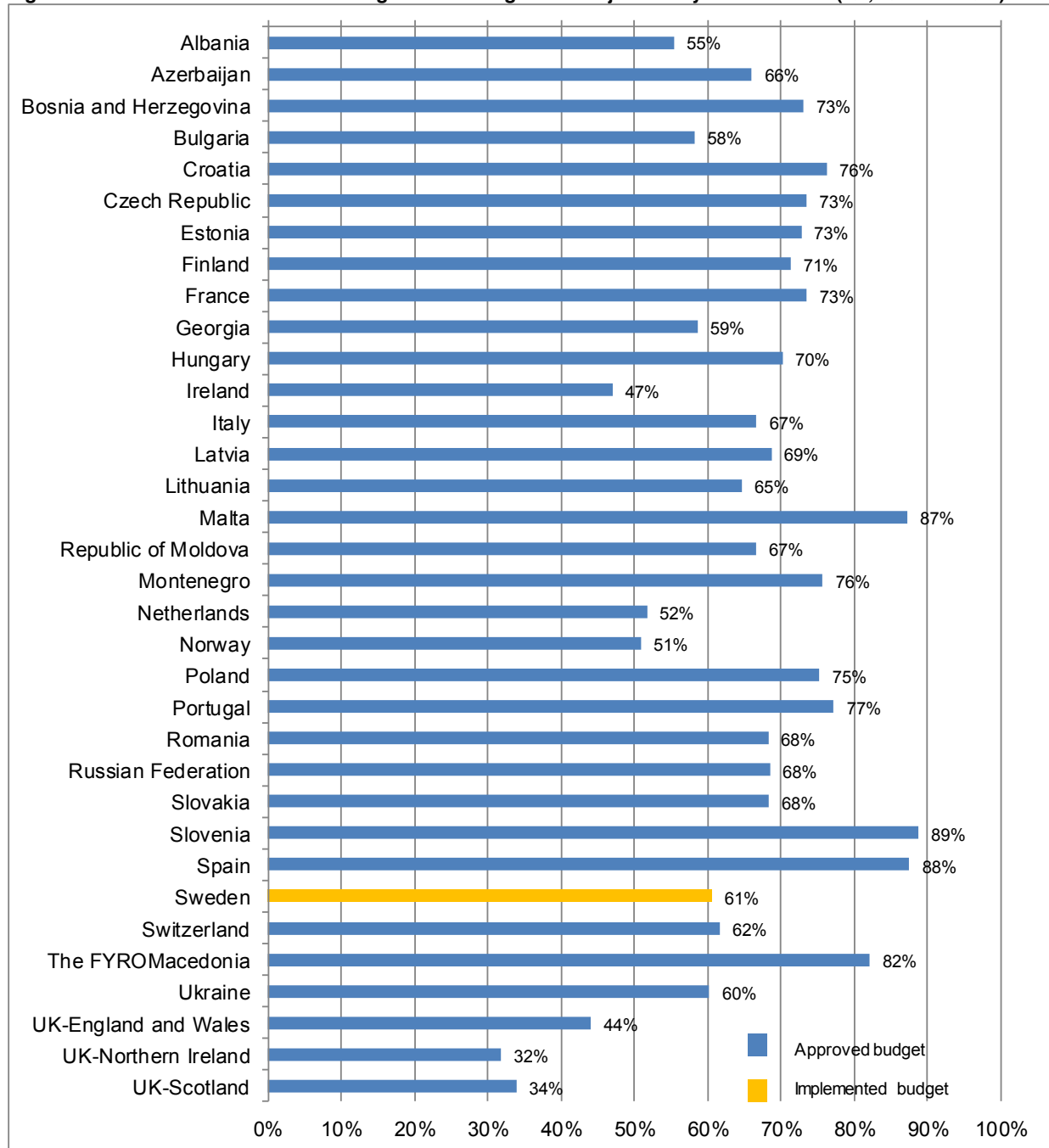
Finally, it may be noted that **Belgium, Hungary, Italy, Luxembourg**, the **Netherlands, Norway** and **UK-England and Wales**, which increased their budget between 2010 and 2012, decreased it between 2012 and 2014.

2.3 Budget allocated to courts

This section measures the efforts that each state or entity devotes to the activity of the courts alone (without legal aid and prosecution services). The analysis covers 39 States and entities. For **Serbia** and **Sweden**, budgetary data reported in the tables/graphs and commented upon in the text correspond to the implemented budgets (see above). The budgetary data for **Austria**, **Belgium**, **Cyprus**, **Greece**, **Luxembourg** and **Slovakia** have been excluded from the analysis because the budget allocated to courts cannot be distinguished from the budget allocated to legal aid and/or the budget allocated to prosecution in those states.

2.3.1 Part of the court budget in the budget of the judicial systems

Figure 2.11 Part of the annual court budget in the budgets of the judicial systems in 2014 (Q6, Q12 and Q13)



The figure above shows the budget contribution of the States and entities to the functioning of the courts in relation to the budget allocated to the judicial system as a whole (including legal aid and prosecution).

In some States or entities, the court budget comprises a very large share (about 70 % or more) of the budget allocated to the judicial system (**Estonia, Finland, France, Hungary, Latvia, Malta, Montenegro, Poland, Portugal, Spain, Slovenia, “the former Yugoslav Republic of Macedonia”**).

In other States or entities, on the contrary, the budget of the courts represents a more moderate share of the budget of the judicial system (around 50 % or less). This is the case mainly in Anglo-Saxon countries and Northern Europe: **Ireland, Norway, Netherlands, UK-Northern Ireland** and **UK-Scotland**.

These differences may reflect differences in the organisation of judicial systems, as the tasks of the courts may vary from country to country. In some states, courts may have tasks in land or trade registers (e.g. **Poland**), whereas in other states, these tasks can be entrusted to different specialised bodies (**the Netherlands** for example).

The small share of the budget of the judicial system allocated to courts in common law systems is explained by a relatively low number of professional judges. For the Northern European states, part of the explanation also lies in the fact that the society is less litigious but also because ADR¹⁰ is better integrated into these systems than in the rest of Europe: Furthermore, part of the litigation is not addressed within the court system and entrusted to administrative bodies.

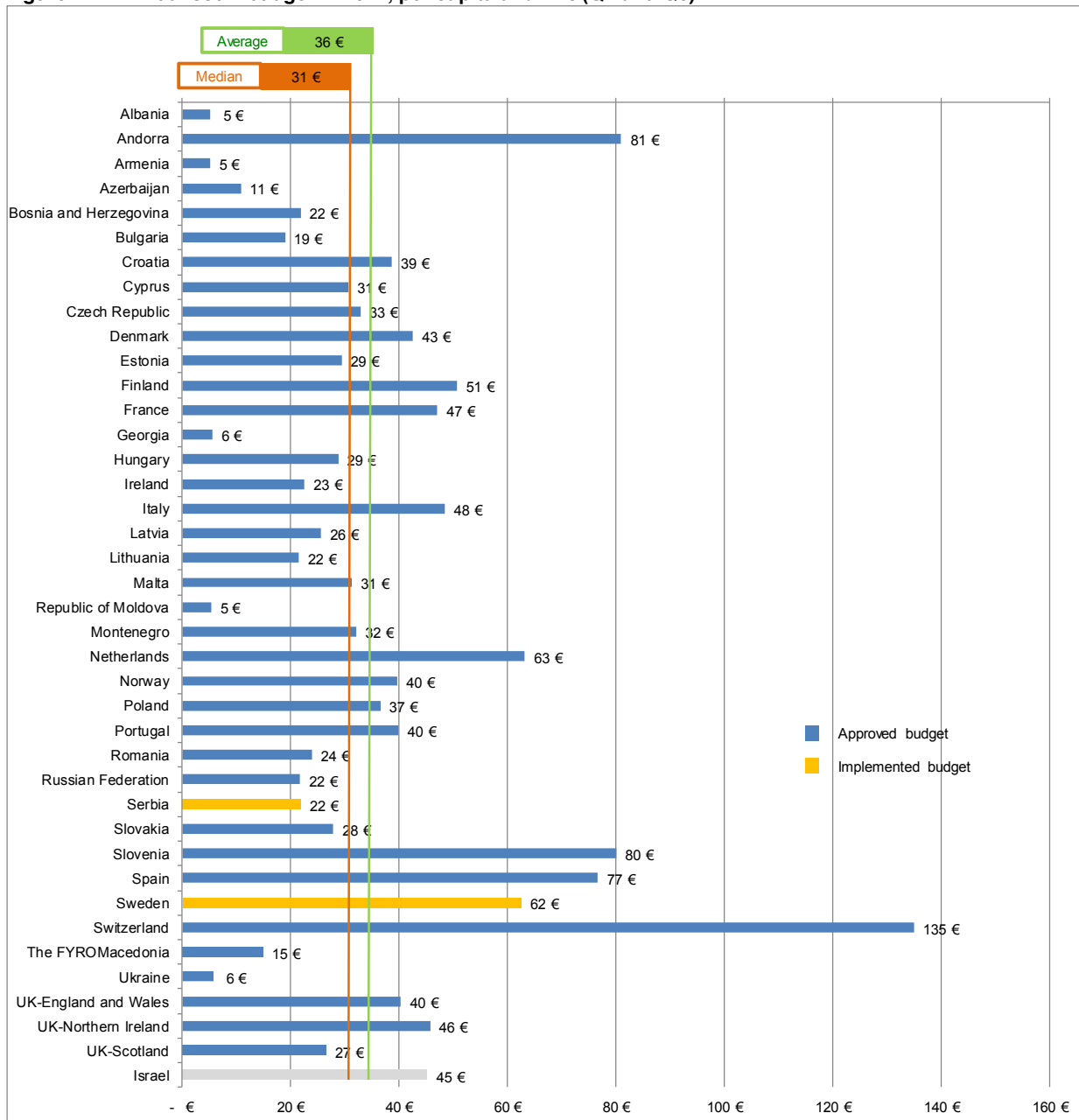
2.3.2 Annual public budget allocated to courts in 2014

As is the case for the part devoted to the budget allocated to the judicial system, and in order to make meaningful comparisons between the States and entities, the budget allocated to courts in each state or entity is first compared to its population, and then to its wealth.

¹⁰ Alternative Dispute Resolution.

2.3.2.1 Court budget per capita in 2014

Figure 2.12 Annual court budget in 2014, per capita and in € (Q1 and Q6)



On average, European States spent 36 € per capita on the courts in 2014.

The States or entities of Northern and Western Europe (as well as **Slovenia** with 80 € per capita) allocate the largest budgets per capita to the courts: **Norway** (40 €), **Portugal** (40 €), **UK-England and Wales** (40 €), **Denmark** (43 €), **UK-Northern Ireland** (46 €), **France** (47 €), **Italy** (48 €), **Finland** (51 €), **Sweden** (62 €), **Netherlands** (63 €), **Slovenia** (80 €), **Andorra** (81 €), **Switzerland** (135 €).

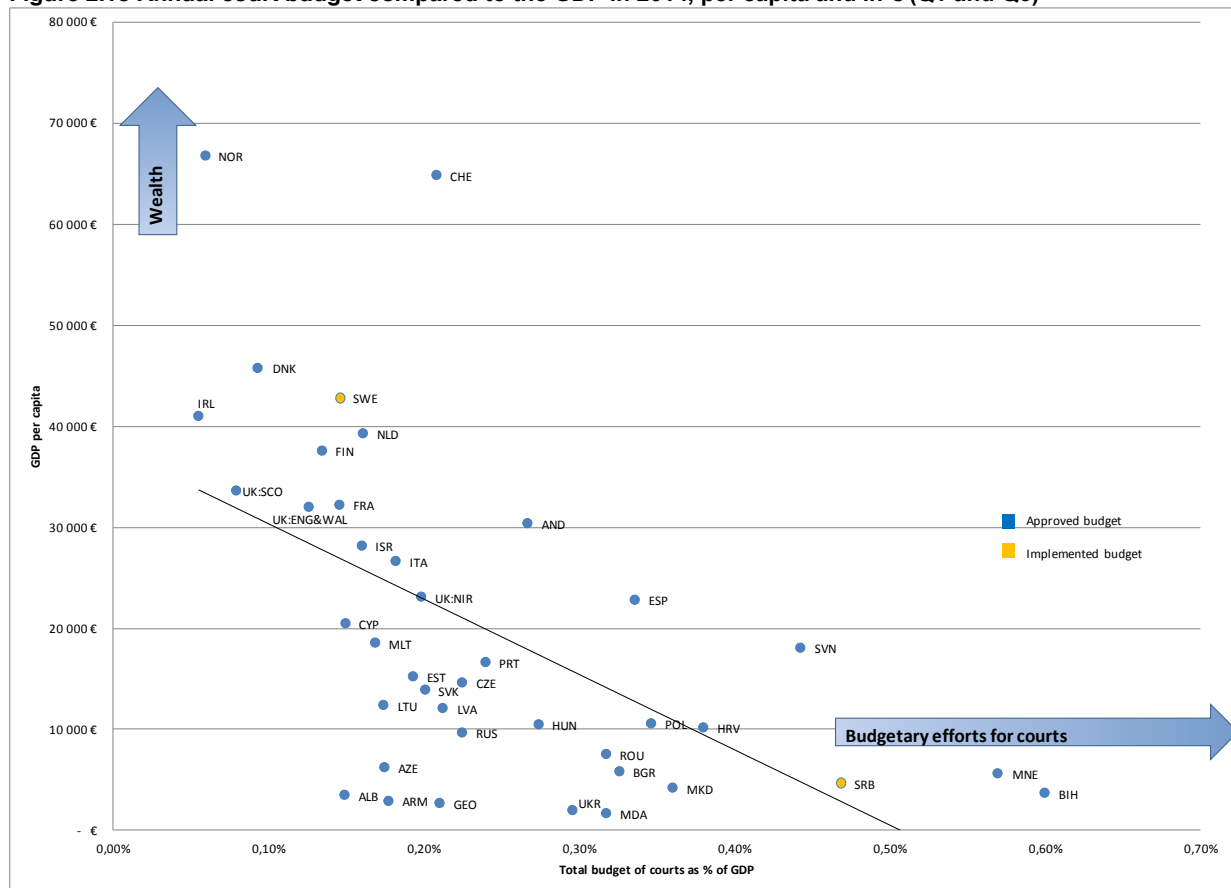
7 Eastern European states spend 15 € or less per capita on the courts: **Albania** (5 €), **Armenia** (5 €), **Republic of Moldova** (5 €), **Georgia** (6 €), **Ukraine** (6 €), **Azerbaijan** (11 €) and “the former Yugoslav Republic of Macedonia” (15 €).

The states of Central Europe, together with **UK-Scotland** (27 €) and **Ireland** (23 €), constitute a group of states whose budgets per capita allocated to the courts are of intermediate levels: **Bulgaria** (19 €), **Lithuania** (22 €), **Bosnia and Herzegovina** (22 €), **Serbia** (22 €), **Russian Federation** (22 €), **Romania** (24 €), **Lithuania** (26 €), **Hungary** (29 €), **Estonia** (29 €), **Malta** (31 €) **Montenegro** (32 €), **Czech Republic** (33 €), **Poland** (37 €), **Croatia** (39 €).

Of course, in order to better assess the budgetary efforts made by states towards their courts, the budget per capita should be compared to the wealth of the states (as measured by their GDP per capita).

2.3.2.2 Court budget per capita compared to the wealth of the States and entities in 2014

Figure 2.13 Annual court budget compared to the GDP in 2014, per capita and in € (Q1 and Q6)



Note: the states that have been supported in particular by the European Union and by international aid for the functioning of the rule of law, have automatically engaged, and in significant proportions, a part of their budget to their courts. Consequently, the Western European states with a higher level of national wealth appear to spend less (in GDP per capita) to finance the courts. This deforming effect should be borne in mind for possible comparisons, not to mistakenly feel that a rich state does not devote a significant effort to the functioning of its courts.

The figure above shows that **Bosnia and Herzegovina, Montenegro, Slovenia, Croatia, “the former Yugoslav Republic of Macedonia”** and **Poland** allocate a relatively large budget to their courts compared to their level of wealth. The budget per capita allocated to courts in **Slovenia** is about 2,5 times that of **Malta** whose level of wealth is similar.

Disparities in the budgets are strong within the group consisting of States or entities whose GDP per capita exceeds 30 000 € (**Andorra, UK-England and Wales, France, UK-Scotland, Finland, Netherlands, Ireland, Sweden, Denmark, Switzerland, Norway**). Within this group, the lowest budgets - **Ireland** and **UK-Scotland**, with less than 30 € per capita per year - are mainly due to the specificity of the common law systems.

Other states which allocate less than 30 € per capita to the courts have a GDP per capita less than or equal to the European median (about 15 000 €). These states are all located below the trend line, indicating a relatively large effort (sometimes supported by a European or international contribution) when considering their level of wealth.

2.3.3 Components of the budget allocated to courts and their evolution

In order to understand better the budgets allocated to the courts, the CEPEJ has examined the various components of these budgets, distinguishing different elements: the gross salaries of staff, information and communications technology (computers, software, investment and maintenance), judicial fees and costs (such as the remuneration of interpreters and experts), the costs of rent and operation of buildings, real estate investments and training.

Table 2.14 Annual budget of the courts per component in 2014 (Q1 and Q6)

| States/entities | Total annual public budget of all courts* (Q6) | % of the total budget | | | | | | |
|------------------------|--|---|--|---|--|---|---|-------|
| | | Annual public budget for (gross) salaries | Annual public budget for computerisation | Annual public budget for justice expenses | Annual public budget for court buildings | Annual public budget for investments in new buildings | Annual public budget for training & education | Other |
| Albania | 14 821 816 € | 73,4% | 2,3% | 1,7% | 1,9% | 2,08% | 0,1% | 18,4% |
| Andorra | 6 231 437 € | 93,0% | 1,0% | NA | 5,6% | 0% | 0,4% | 0,0% |
| Armenia | 15 528 020 € | 79,9% | NA | 0,2% | 0,1% | 0% | NA | NA |
| Austria | NA | NA | NA | NA | NA | NA | NA | NA |
| Azerbaijan | 102 485 992 € | 38,8% | 11,7% | NAP | 3,5% | 42,44% | 3,6% | 0,0% |
| Belgium | NA | NA | NA | NA | NA | NA | NA | NA |
| Bosnia and Herzegovina | 83 657 645 € | 84,3% | 1,6% | 0,3% | 9,7% | 0,53% | 0,1% | 4,3% |
| Bulgaria | 136 407 333 € | 81,0% | 0,6% | 1,0% | 7,9% | NAP | 0,0% | 9,5% |
| Croatia | 163 302 114 € | 80,9% | 3,6% | 3,4% | 4,7% | 0% | 0,4% | 7,0% |
| Cyprus | 26 287 423 € | 82,3% | 0,3% | 8,4% | 9,0% | 0% | 0,1% | NAP |
| Czech Republic | 345 730 027 € | 77,3% | 0,4% | NAP | 0,9% | 0,11% | 0,0% | 21,3% |
| Denmark | 240 945 242 € | 60,9% | 8,2% | 5,2% | 20,1% | 0% | 0,9% | 4,7% |
| Estonia | 38 589 501 € | 78,4% | 0,2% | 2,5% | 15,1% | 0,08% | 0,7% | 3,0% |
| Finland | 277 295 000 € | 69,1% | 5,7% | 5,5% | 12,7% | NAP | 0,3% | 6,3% |
| France | 3 123 051 554 € | 83,4% | 1,3% | 11,9% | 6,5% | 4,40% | 2,9% | 9,6% |
| Georgia | 20 939 664 € | 7,7% | 0,7% | 12,1% | 5,9% | 2,85% | 3,4% | 3,3% |
| Germany | NA | NA | NA | NA | NA | NA | NA | NA |
| Greece | NA | NA | NA | NA | NA | NA | NA | NA |
| Hungary | 283 479 317 € | 50,6% | 2,0% | 9,3% | 2,4% | 8,96% | NA | 26,8% |
| Ireland | 104 565 000 € | 45,6% | 3,7% | 4,6% | 12,5% | 5,62% | 0,4% | 27,5% |
| Italy | 2 945 513 378 € | 78,3% | 2,0% | 11,1% | 5,0% | 0% | 0,0% | 3,5% |
| Latvia | 51 305 248 € | 70,1% | 4,2% | 5,2% | 18,3% | NA | 0,60% | 1,6% |
| Lithuania | 62 969 474 € | 88,4% | 1,3% | 0,8% | 2,7% | 2,30% | 0,3% | 4,3% |
| Luxembourg | NA | NA | NA | NA | NA | NA | NA | NA |
| Malta | 13 427 603 € | 71,9% | 0,1% | 8,6% | 11,8% | 4,13% | 0,0% | 3,5% |
| Republic of Moldova | 19 058 415 € | 62,0% | 1,5% | NAP | 12,6% | 15,17% | 0,00% | 8,8% |
| Monaco | NA | NA | NA | NA | NA | NA | NA | NA |
| Montenegro | 19 908 315 € | 72,5% | 0,3% | 12,9% | 0,3% | 0% | 0,5% | 13,5% |
| Netherlands | 1 068 474 000 € | 73,9% | 7,1% | 0,3% | 11,6% | NAP | 2,3% | 4,7% |
| Norway | 205 000 000 € | 65,6% | 6,3% | NAP | 21,8% | NAP | 1,3% | 5,0% |
| Poland | 1 405 850 000 € | 66,4% | 3,8% | 11,4% | 6,8% | 2,39% | 0,4% | 8,9% |
| Portugal | 414 114 841 € | 83,8% | 3,2% | 0,1% | 11,4% | NAP | 1,5% | NAP |
| Romania | 533 090 063 € | 40,9% | 0,2% | 0,2% | 5,7% | 3,78% | 0,0% | 49,2% |
| Russian Federation | 3 184 300 240 € | 56,4% | 4,6% | 2,3% | 5,9% | 3,57% | 0,3% | 27,0% |
| Serbia | 155 788 380 € | 80,8% | 0,8% | 12,0% | 4,4% | NAP | 0,0% | 6,5% |
| Slovakia | 151 291 595 € | 60,4% | 1,8% | 5,7% | 7,1% | 0% | 0,8% | 24,2% |
| Slovenia | 164 850 383 € | 70,9% | 1,1% | 20,4% | 7,3% | 0% | 0,3% | NAP |
| Spain | 3 558 656 779 € | 66,0% | 3,0% | 3,0% | 7,8% | 1,39% | 0,5% | 18,3% |
| Sweden | 609 190 589 € | 72,0% | 1,3% | NA | 14,2% | NAP | 1,0% | 11,5% |
| Switzerland | 1 111 423 623 € | 69,3% | 3,1% | 9,3% | 5,0% | NAP | 0,4% | 12,8% |
| The FYROMacedonia | 30 833 675 € | 81,7% | 1,7% | 3,7% | 6,2% | 0% | 1,8% | 4,9% |
| Turkey | NA | NA | NA | NA | NA | NA | NA | NA |
| Ukraine | 244 189 579 € | 82,2% | 1,4% | 0,01% | 0,3% | 0,07% | 0,4% | 15,7% |
| UK-England and Wales | 2 316 791 217 € | 54,3% | 5,8% | 4,15% | 18,0% | 0% | 0,1% | 17,6% |
| UK-Northern Ireland | 84 124 036 € | 37,2% | 9,7% | 28,4% | 24,7% | 0% | 0,1% | NA |
| UK-Scotland | 141 908 000 € | 38,8% | 5,6% | 12,2% | 25,4% | 0% | 0,4% | 17,7% |
| Israel | 375 113 449 € | 66,0% | 6,5% | 4,0% | 13,7% | 3,2% | 0,8% | 5,8% |
| Average | 601 932 731 € | 69% | 3% | 7% | 9% | 3% | 1% | 12% |
| Median | 155 788 380 € | 72% | 2% | 5% | 7% | 0,1% | 0,4% | 9% |
| Minimum | 6 231 437 € | 37% | 0,1% | 0,01% | 0% | 0% | 0,001% | 0% |
| Maximum | 3 558 656 779 € | 93% | 12% | 28% | 25% | 42% | 4% | 49% |

Note: for Bosnia and Herzegovina, Finland and Serbia, the data presented in this table are based on approved or implemented budgets according to their respective availability. This explains why the sum of the components led to a result greater than 100 % for Serbia.

The budget variations (in absolute value) presented in the table below correspond to each component of the budget of the courts between 2012 and 2014, with the clarification that the lower the quantitative data, the more significant the variations in percentage may be.

Table 2.15 Variations of the various components of the approved annual budget of the courts between 2012 and 2014 (Q6)

| States/entities | Variation of the total budget of the courts 2012 - 2014 | Variation as part of the total 2012 - 2014 (in %) | | | | | | | Other |
|------------------------|---|--|---|--|---|--|--|-------|-------|
| | | Annual public budget allocated to (gross) salaries | Annual public budget allocated to computerisation | Annual public budget allocated to justice expenses | Annual public budget allocated to court buildings | Annual public budget allocated to investments in new buildings | Annual public budget allocated to training & education | | |
| Albania | 18% | 23% | 45% | 18% | 70% | -52% | -16% | 13% | |
| Andorra | 3% | -2% | NA | NA | 3388% | NAP | -10% | NAP | |
| Armenia | 33% | 37% | NA | 0% | 0% | NA | NA | NA | |
| Austria | NA | NA | NA | NA | NA | NA | NA | NA | |
| Azerbaijan | 75% | 70% | 70% | NAP | 13% | 117% | 26% | -100% | |
| Belgium | NA | NA | NA | NA | NA | NA | NA | NA | |
| Bosnia and Herzegovina | 7% | 7% | 10% | -32% | 14% | NAP | -16% | -6% | |
| Bulgaria | 9% | 38% | 126% | NA | NA | NAP | -4% | -60% | |
| Croatia | 4% | -11% | -4% | NA | 850% | NA | 27% | NA | |
| Cyprus | -14% | -5% | -44% | 1775% | -5% | -100% | -72% | NAP | |
| Czech Republic | -7% | -3% | -79% | NAP | -67% | NAP | -75% | 14% | |
| Denmark | -1% | -7% | 22% | 25% | 11% | NA | 0% | -18% | |
| Estonia | 30% | 34% | -89% | 190% | 17% | .. | 61% | 30% | |
| Finland | 11% | 2% | 24% | 94% | 2% | NAP | -3% | 218% | |
| France | 7% | 8% | 1% | -3% | 1% | 22% | 32% | 10% | |
| Georgia | 25% | 59% | -45% | 12% | 3% | -72% | 58% | -26% | |
| Germany | NA | -5% | NA | 6% | NA | NA | NA | NA | |
| Greece | NA | NA | NA | NA | NA | NA | NA | NA | |
| Hungary | -13% | -39% | 365% | 83% | -75% | 230% | NA | 94% | |
| Ireland | -2% | -4% | -32% | 1% | -3% | -77% | -23% | 260% | |
| Italy | -1% | -1% | -7% | 1% | -19% | NA | -1% | 10% | |
| Latvia | 15% | 10% | 107% | 3% | 29% | NA | 24% | 10% | |
| Lithuania | 19% | 20% | 103% | 48% | 3% | 43% | -48% | -13% | |
| Luxembourg | NA | NA | NA | NA | NA | NA | NA | NA | |
| Malta | 16% | 15% | NA | -22% | NA | -31% | 0% | NAP | |
| Republic of Moldova | 99% | 94% | 73% | NAP | 32% | .. | -98% | 13% | |
| Monaco | NA | NA | NA | NA | NA | NA | NA | NA | |
| Montenegro | 3% | 0% | -68% | -1% | 0% | NAP | 230% | NAP | |
| Netherlands | 0% | 0% | -11% | -7% | 6% | NAP | -16% | 23% | |
| Norway | -12% | -16% | 37% | NAP | -28% | NAP | -31% | NAP | |
| Poland | 2% | 4% | -6% | 1% | 3% | -12% | 86% | -6% | |
| Portugal | -13% | -12% | -45% | -95% | 32% | NAP | -17% | NAP | |
| Romania | 64% | 17% | 19% | 818% | -12% | 74% | -95% | 198% | |
| Russian Federation | -5% | -7% | -4% | -2% | -4% | -38% | -40% | 8% | |
| Serbia | -12% | -8% | NA | NAP | -56% | NAP | NAP | -60% | |
| Slovakia | -1% | 6% | -23% | 2% | -19% | .. | -17% | -7% | |
| Slovenia | 3% | 0% | -54% | 23% | 1% | .. | -25% | NAP | |
| Spain | -4% | 783% | NA | NA | NA | NA | NA | NA | |
| Sweden | -4% | -2% | -47% | NA | -5% | NAP | -22% | -9% | |
| Switzerland | 13% | 7% | -11% | 112% | -9% | NAP | 29% | 109% | |
| The FYROMacedonia | 2% | 3% | 303% | -20% | -1% | -100% | 0% | 34% | |
| Turkey | NA | NA | NA | NA | NA | NA | NA | NA | |
| Ukraine | -40% | -18% | -96% | NA | NA | NA | NA | -50% | |
| UK-England and Wales | -3% | 3% | 166% | -1% | -1% | .. | 7% | -31% | |
| UK-Northern Ireland | 3% | -34% | 21% | 367% | -6% | .. | -69% | NA | |
| UK-Scotland | 4% | 13% | 85% | 109% | 12% | -100% | -15% | -16% | |
| Israel | 30% | 26% | 34% | 64% | 66% | -43% | 122% | 69% | |
| Average | 9% | 27% | 27% | 121% | 119% | -7% | -4% | 23% | |
| Median | 3% | 2% | -1% | 3% | 1% | -34% | -13% | 9% | |
| Minimum | -40% | -39% | -96% | -95% | -75% | -100% | -98% | -100% | |
| Maximum | 99% | 783% | 365% | 1775% | 3388% | 230% | 230% | 260% | |

2.3.3.1 Gross salaries of staff

Although there are big differences between the States and entities, the remuneration of staff (judges and non-judges) is the most important item of the court budgets: 69 % on average of the budgets allocated to the courts, with a maximum of 93% in **Andorra** and a minimum of 37 % in **UK-Northern Ireland**.

9 states devote 80 % or more of the court budget to the gross salaries of staff: **Andorra, Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Lithuania, Portugal, “the former Yugoslav Republic of Macedonia”** and **Ukraine**.

For 5 States or entities, the share of the court budget allocated to salaries represents less than 50 %: **Azerbaijan, Ireland, Romania, UK-Northern Ireland** and **UK-Scotland**. **Ireland, UK-England and Wales, UK-Northern Ireland**, and **UK-Scotland** are the 4 States or entities where the number of judges per 100 000 inhabitants in 2014 is the lowest (3,30 in **UK-England and Wales**), 3,31 in **UK-Scotland**, 3,46 in **Ireland** and 3,75 in **UK-Northern Ireland**). The 3 entities of the **United Kingdom** and **Ireland** are, together with **Norway**, the States or entities that best remunerate judges (in absolute values and in terms of gross salaries) both at the beginning and at the end of their career, as a consequence of appointment of professional judges from among the most experienced and renowned lawyers.

In **Armenia** and **Azerbaijan**, the low share of salaries of the total budget allocated to the courts must be tempered by the fact that other categories have temporarily absorbed most of the budget increases from which courts have benefited in 2014. Thus, in **Azerbaijan**, 42 % of the court budget was spent on investment in new buildings in order to pursue the modernisation plan of justice and to improve access to the courts. In **Romania**, the category "others", bringing together nearly half of the court budget, actually includes many salary-related expenses that could not be directly allocated to the category “gross salaries of staff”.

The increase in the budget allocated to gross salaries between 2012 and 2014 is 20 % or more in **Albania** (+ 23 %), **Armenia** (+ 37 %), **Azerbaijan** (+ 70 %), **Bulgaria** (+ 38 %), **Estonia** (+ 34 %), **Georgia** (+ 59 %), **Lithuania** (+ 20 %), **Republic of Moldova** (+ 94 %) and **Israel** (+ 26 %). These budget increases are generally explained by the increased level of salaries (**Azerbaijan, Georgia, Republic of Moldova**) or social contributions (**Bulgaria**).

Conversely, some states have cut their budget allocated to salaries for the period (**Czech Republic, Norway, Russian Federation** and **Ukraine** cannot be counted here because the trend is biased by the exchange rate), but the observation holds for **Andorra** (- 2 %), **Croatia** (- 11 %), **Cyprus** (- 5 %), **Denmark** (- 7 %), **Germany** (- 5 %), **Hungary** (- 39 %), **Ireland** (- 4 %), **Italy** (- 1 %), **Portugal** (- 12 %), **Serbia** (- 8 %), **UK-Northern Ireland** (- 34 %). In **Andorra, Croatia, Cyprus, Denmark, Germany, Serbia** and **UK-Northern Ireland** these budget cuts between 2012 and 2014 go hand in hand with a decrease in the number of judges during the same period.

2.3.3.2 Computerisation¹¹

On average, the States or entities spend 3 % of the court budget on equipment in the field of new information and communication technologies.

15 States or entities investing in IT tools are above average (more than 3 % of the courts budget): **Azerbaijan** (12 %), **Croatia** (4 %), **Denmark** (8 %), **Ireland** (4%), **Latvia** (4 %), the **Netherlands** (7%), **Norway** (6 %), **Poland** (4 %), **Portugal** (3,2 %), **Russian Federation** (5 %), **Turkey** (4 %), **UK-England and Wales** (6 %), **UK-Northern Ireland** (10 %), **UK-Scotland** (6 %). The budgetary effort for court computerisation remains low (less than 1% of the courts budget) in 9 states: **Andorra, Bulgaria, Czech Republic, Estonia, Georgia, Malta, Montenegro, Romania**.

9 States or entities have invested massively in court computerisation between 2012 and 2014 (the budget increased by more than half): **Azerbaijan** (+ 70 %), **Bulgaria** (+ 126 %), **Hungary** (+ 365 %), **Latvia** (+ 107 %), **Lithuania** (+ 103 %), **Republic of Moldova** (+ 73 %), **“the former Yugoslav Republic of Macedonia”** (+ 303 %), **UK-England and Wales** (+ 166 %) and **UK-Scotland** (+ 85 %).

Most of these States or entities have indicated that court computerisation is a budgetary priority (**Latvia, UK-Scotland**) and/or they have launched specific programmes of modernisation of courts (**Azerbaijan, Bulgaria, Lithuania, Republic of Moldova**) sometimes partly financed by European funds (**Hungary, Lithuania**) or international funds (**“the former Yugoslav Republic of Macedonia”**).

¹¹ See in particular the thematic report: “Use of information technology in courts” (CEPEJ(2016)2).

The states having strongly increased the budget allocated to the courts between 2012 and 2014 have, for their part, almost all acquired a level of equipment higher than the median despite a spending per capita that remains lower than, or close to, 1 € (**Hungary**, “**the former Yugoslav Republic of Macedonia**”, **Bulgaria**, **Latvia**, **Lithuania**, **Republic of Moldova**, **Turkey**).

The case of **UK-England and Wales** is special. Its level of computerisation appears relatively low (below the EU median) despite a significant financial effort made between 2012 and 2014, combined with a relatively high level of budget per capita allocated to computerisation. The CEPEJ will be attentive to the evolution of the equipment rate of this entity during the next evaluation cycles in order to determine the impact of the current investments.

2.3.3.3 Justice expenses

Justice expenses refer to the amounts that the courts should pay out within the framework of judicial proceedings, such as expenses paid for expert opinions or court interpreters. Any expenses to be paid by the parties (court fees and taxes) or aimed at legal aid are not indicated.

On average, justice expenses represent 7 % of the budget allocated to the courts in 2014¹².

Depending on the organisation of the judicial system or of the proceedings, justice expenses can represent 20 % or more of the budget of the courts - as in **Slovenia** or in **UK-Northern Ireland** - or an almost negligible part - as in **Armenia** (0,2 %), **Netherlands** (0,3 %), **Portugal** (0,1 %), **Romania** (0,2 %) and **Ukraine** (0,01 %)

Differences in the organisation of the judicial system and of the proceedings explain in particular these disparities. It may be added that if some states account the expenses related to postal services or telephony services in this category (e.g. **Croatia**), others account them in the category "other" (e.g. **Albania** or **Lithuania**), which may also explain the disparities between states.

In some States or entities, the increase in justice expenses is very significant between 2012 and 2014: **Estonia** (+ 190 %), **Hungary** (+ 83 %), **Romania** (+ 818 %), **Switzerland** (+ 112 %), **UK-Northern Ireland** (+ 367 %), **UK-Scotland** (+ 109 %). A less significant increase is also noted in **Lithuania** (+ 48 %), **Denmark** (+ 25 %), **Slovenia** (+ 23 %). The causes of these increases appear much diversified if one refers to the comments of the states.

Romania explains this sharp rise by the implementation in February 2014 of the new Code of Criminal Procedure which requires that each defendant receive a copy of his or her indictment, if necessary translated by interpreters. These new provisions generate additional legal costs. In **UK-Scotland**, the increase in the justice expenses could be related to the merger of the Scottish Court Service and Scottish Tribunals. **Lithuania** mentions an additional budget paid to the courts and an additional allocation of 103 000 € in favour of the National Courts Administration in order to cover debts related to judicial expertise. In **Hungary**, due to a change in methodology for the presentation of data, some expenses which were previously included in the category "other" are now included in the category "justice expenses", which explains the variation observed. Finally, in **Estonia**, the sharp increase in justice expenses between 2012 and 2014 is mainly due to an increase in the translation costs linked to the influx of new asylum claims and other costs of proceedings. The extreme variation in **Cyprus** is due to different presentation of data in 2014.

Russian Federation decrease of – 2 % should not be considered as a reduction of the justice expenses due to the inflation and depreciation of Russian Ruble.

4 states have on the contrary reduced significantly their justice expenses between 2012 and 2014: **Bosnia and Herzegovina** (-32 %), **Malta** (- 22 %), **Portugal** (- 95 %), and “**the former Yugoslav Republic of Macedonia**” (-20 %). No particular reason is set forth by these states to explain the decreases.

2.3.3.4 Buildings

Expenses related to maintenance and the functioning of court buildings - rent, electricity, security, cleaning, maintenance etc. – represent on average 9 % of the court budget. Their share of the court budget is relatively high in **Denmark** (20 %), **Latvia** (18 %), **Norway** (22 %), **UK-England and Wales** (18 %), **UK-Northern Ireland** (25 %) and **UK-Scotland** (25 %). On the contrary, building maintenance is not a heavy

¹² The issue on the budget allocated to justice expenses is not relevant in **Azerbaijan**, **Czech Republic**, **Republic of Moldova** and **Norway**.

budgetary item for the courts (less than 2 % of the court budget) in **Albania, Armenia, Czech Republic, Montenegro and Ukraine**.

Variations during the period 2012-2014 concerning the budget allocated to the buildings are very heterogeneous in Europe.

Substantial increases (over 20 %) were noted in **Albania** (+ 70 %), **Republic of Moldova** (32 %), **Portugal** (+ 32 %), **Latvia** (+ 29 %). These budget increases often accompany a justice reform requiring a reorganisation/renovation of the courts. This is the case for example in **Azerbaijan** and **Republic of Moldova**. In **Latvia**, the increase is due to the fact that additional funds were allocated to the courts in 2014 to pay the rent of several courts. Furthermore, additional costs of caretaking have been incurred by strengthening security of buildings and staff.

The states that have significantly decreased the budget allocated to buildings between 2012 and 2014 are **Hungary** (- 75 %), **Czech Republic** (- 67 %), **Serbia** (- 56 %) and **Norway** (- 28 %). It should be stressed that reductions observed in these 4 states should be tempered due to the sharp fall in the exchange rate between 2012 and 2014.

2.3.3.5 Investments in court buildings

The share of the court budget allocated to the investment in buildings could be calculated for 28 States or entities.

14 States or entities have made no real investment in court buildings in 2014: **Andorra, Armenia, Croatia, Cyprus, Denmark, Italy, Montenegro, Serbia, Slovakia, Slovenia, “the former Yugoslav Republic of Macedonia”** and the 3 entities from the **United Kingdom**. In the **Czech Republic, Estonia and Ukraine**, the investment is a small portion of the budget of the courts (less than 0,2 %). **Denmark** states that the budget allocated to investment in new buildings is part of the overall budget allocated to buildings.

A special budgetary effort can be observed in **Azerbaijan** where investment in new buildings represents 42 % of the budget allocated to the courts and accompanies a justice modernisation program designed in particular to facilitate access to justice.

The share of the court budget devoted to investment is also significant (over 5 % of the court budget) in **Republic of Moldova** (15 %), **Hungary** (9 %) and **Ireland** (6 %).

The 2012-2014 variation of the budget for the construction of new buildings can only be measured for 15 States or entities.

Among these states, 8 have reduced their budget allocated to the investment in buildings: **Cyprus** (- 100 %), **“the former Yugoslav Republic of Macedonia”** (- 100 %), **UK-Scotland** (- 100 %), **Ireland** (- 77 %), **Georgia** (-72 %), **Albania** (-52 %), **Russian Federation** (- 38 %), **Malta** (- 31 %) and **Poland** (- 12 %). 6 have increased this budget: **France** (+ 22 %), **Lithuania** (+ 43 %), **Romania** (+ 74 %), **Azerbaijan** (+ 117 %) and **Hungary** (+ 230 %). **Cyprus, “the former Yugoslav Republic of Macedonia”** and **UK-Scotland**, which reduced their budgets by half, provide no details on the reasons for this decrease.

In **Albania**, the significant slowdown in investment in buildings is linked to a reduction in the total budget for investment in 2014 compared to 2012. **Ireland** explains the decrease in its budget by global austerity measures specifically affecting capital investments. The significant decline in **Malta** can be explained by the fact that the bulk of investment needed for the operationalization of a new building of justice was made in the previous year, although the construction work took place in 2013.

Regarding budget increases, as already mentioned, **Azerbaijan** is overseeing a programme of construction of modern courts and judicial complexes in order to improve access to justice, which explains the acceleration of expenditures between 2012 and 2014. Similarly, a real estate investment programme launched by **Lithuania** explains a strong budget increase between 2012 and 2014. In **Hungary**, significant amounts were spent on the construction of new court houses, explaining the increase of 230 % in the budget allocated to investment in buildings. For similar reasons, the budget increased by 41 % in **Turkey**.

In the case of **Sweden**, this category is not relevant because all Swedish court houses are leased.

2.3.3.6 Training of judges and prosecutors

As for the previous cycles, the share of the court budget allocated to judicial training is less than 1 % in 2014. It remains very low (less than 0,1 %) in **Albania, Bulgaria, Czech Republic, Italy, Malta, Republic of Moldova, Romania, UK-England and Wales** and **UK-Northern Ireland**. It can be considered as relatively high (over 2 %) in **Azerbaijan, France, Georgia** and the **Netherlands**. This share in Bulgaria and Lithuania does not reflect the actual budget allocated for training of judges and prosecutors that is provided by the National Institute of Justice and included in separate budget as defined in CEPEJ methodology.

Some states affirm their readiness to accord a high budgetary priority to judicial training. This explains the substantial increases in the budget allocated to training between 2012 and 2014 noted in **Azerbaijan** (+ 26 %), **Estonia** (+ 61 %) and **Georgia** (58 %). The consequential increase in the budget allocated to training in **Montenegro** (+ 230 %) is related to the allocation of additional resources to the functioning of the Judicial Training Centre in order to have an institution independent from the Supreme Court, which was the case as from 2015.

In total, an increase in the budget allocated to the training of judges and prosecutors can be noted in 11 States or entities (**Azerbaijan, Croatia, Estonia, France, Georgia, Latvia, Montenegro, Poland, Switzerland, Turkey, UK-England and Wales**).

By contrast, a decrease in the budget can be observed in 16 States or entities (**Albania, Andorra, Bulgaria, Czech Republic, Ireland, Italy, Lithuania, Republic of Moldova, Netherlands, Norway, Portugal, Romania, Russian Federation, Slovenia, UK-Northern Ireland, and UK-Scotland**). The decrease for **Lithuania** this cycle is only because the budget of the Training Centre of the National Courts Administration was excluded from the budget of the courts according to the CEPEJ definition.

Lithuania has specified that the budget declared in 2014 as allocated to training does not include the budget of the Judicial Training Centre. This information is to be considered to the extent that it can explain a 48 % decrease observed between 2012 and 2014.

Similarly, the budgetary decrease of 98 % observed in the **Republic of Moldova** may partly be explained by a change in data presentation: considering the fact that it is not possible to distinguish the public budget allocated to training or to the education of judges and court staff from the budget of the National Institute of Justice, only the amount of the annual public budget allocated to the judicial bodies for vocational training was included in the category "training" in 2014.

2.3.3.7 Other

An important part of the court budget (12 % or more) is allocated to other items than those mentioned above in **Ireland** (28 %), **Hungary** (27 %), **Russian Federation** (8 %), **Slovakia** (24 %), **Czech Republic** (21%), **Albania** (18 %), **Spain** (18%), **Ukraine** (16 %), **Montenegro** (14 %), **Switzerland** (13 %), **UK-England and Wales** (18 %), **UK-Scotland** (18 %). It has to be noted that **Romania** spends almost half of the budget allocated to the courts (49 %) in the category "other expenses" which includes a large part of the salaries.

In most states, this category corresponds to expenditures for supplies, transport, postal services, telephony services, insurance, medical costs, electricity, heating, and clothing. It may also include moving expenses (**Denmark**) or the retirement pensions of former judges of the Supreme Court (**Estonia**).

Disparities between states are mainly due to differences in categorisation of expenses. According to national accounting standards and systems, some expenses were included in the category "other expenses" although they are generally related to specific categories. For instance, "other expenses" may include some of the expenses related to training (**Hungary**) or staff remuneration (**Bulgaria**) or a part of the justice expenses (expert and translation costs) (**Russian Federation**).

Changes in categorisation from one cycle to another may also explain significant budgetary variations for this category within a country. For example, in **Bulgaria**, the 60 % decrease in the budget associated with this category is partly linked to the fact that the employer's social contributions are no longer attached to the category "other expenses" in 2014 whereas in 2012 they were.

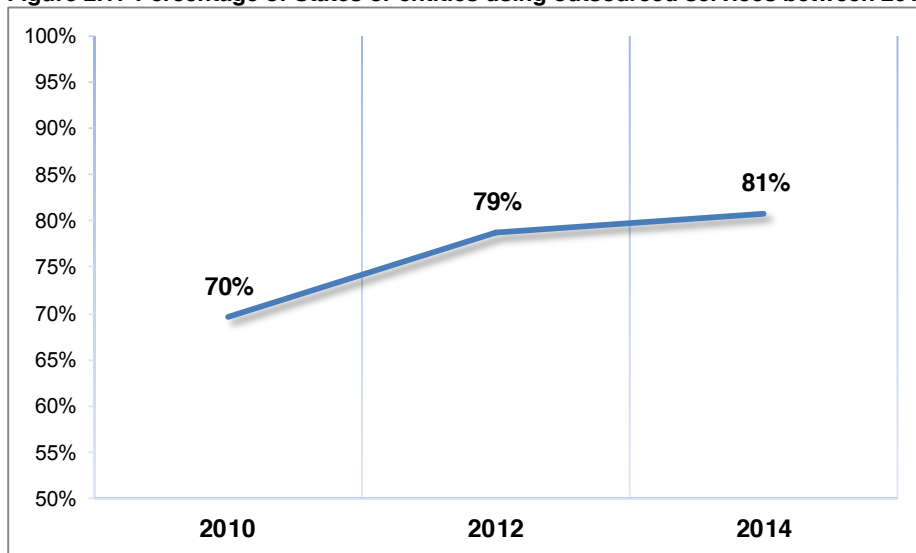
Finally, the very significant increase in the budget dedicated to the category "other expenses" in **Ireland** (+ 260 %) is explained by the fact that the construction, renovation and/or extension of the court houses have

since 2014 partially been done through public-private partnerships, the funding of which is included in the category "other expenses".

2.3.3.8 Outsourcing

Beyond the budget variations affecting the courts, there is a trend in respect of organisational changes which reflects a desire to rationalise budgets, going back to 2010. In particular, a propensity for the delegation of some services to the private sector can be noted, such as computer maintenance, continuous training of staff, security, archives, cleaning, etc., as shown by the figure below.

Figure 2.17 Percentage of States or entities using outsourced services between 2010 and 2014 (Q54)



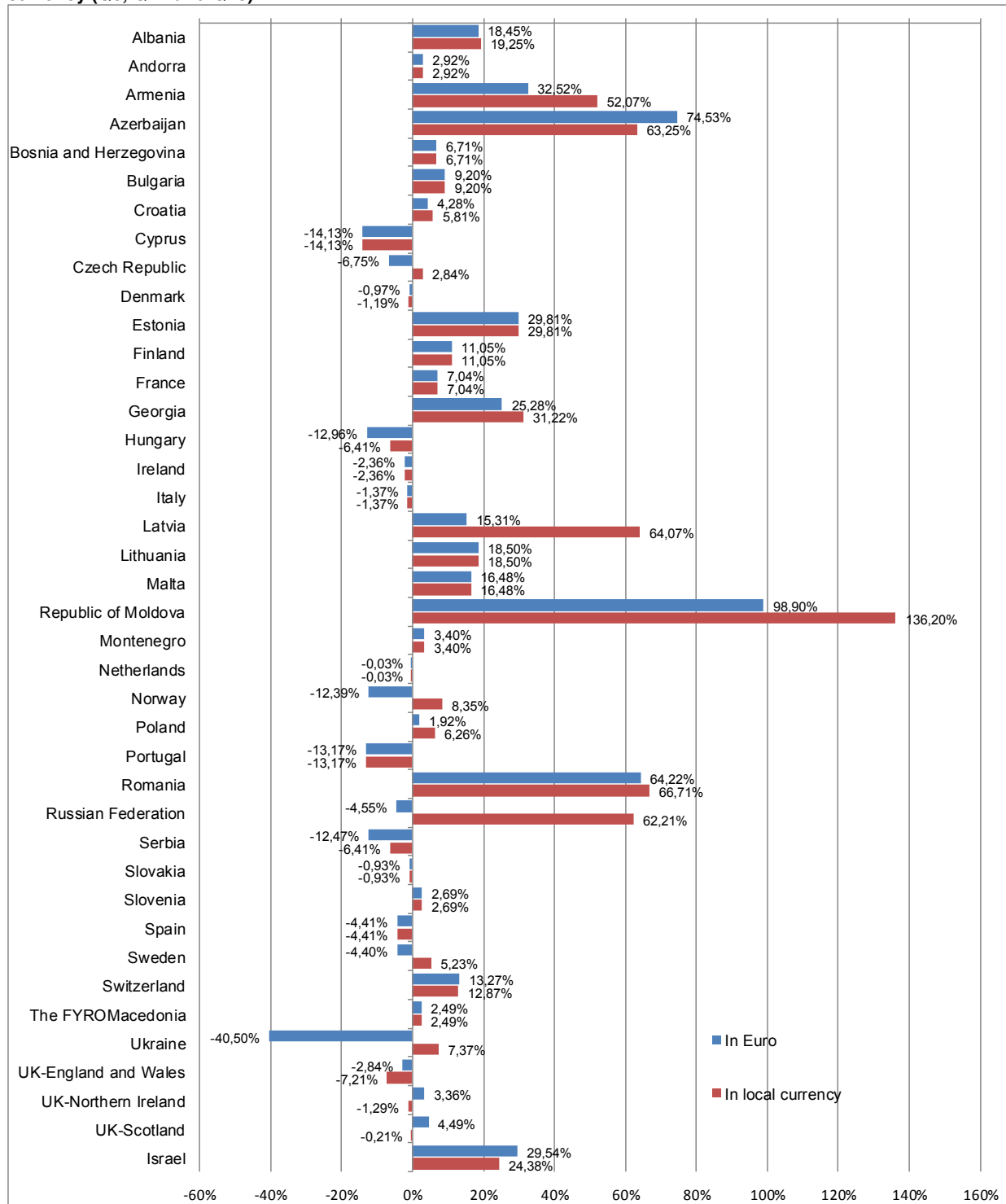
The reduction of non-judge staff between 2010 and 2014 in 17 states (out of 39 states for which the variation could be calculated) and a reduction in technical staff in 14 states (out of 25) could be partially explained by the introduction of outsourcing.

Bosnia and Herzegovina for example introduced outsourcing in 2014 and show a reduction in the number of technical staff over the period 2012-2014. However there is also the example of **Estonia** that reported not to have outsourced anymore and the number of technical staff is increasing.

2.3.4 Evolution of the budgets of the courts

2.3.4.1 Evolution of the court budgets between 2012 and 2014

Figure 2.18 Variation of the approved annual budget of the courts between 2012 and 2014, in € and in local currency (Q6, Q12 and Q13)



Note: for **Serbia** and **Sweden**, the variation concerns the budget implemented. For the other States or entities, the variation concerns the approved budgets.

The variation in the budget allocated to the courts between 2012 and 2014 can be measured for 40 States or entities. Tables 2.19 make it possible to understand how variations in the budgets allocated to the various components of the courts' budget have contributed to the evolution of the total courts' budget between 2012 and 2014. It should be recalled here that the contribution of a component to the evolution of the overall

budget of the courts (in percentage points) depends not only on its own variation but also of its weight within the overall budget.

Table 2.19a Contribution of the various components of the approved budget allocated to the courts - variations between 2010 and 2012, in % points (Q6)

| States/entities | Variation of the total budget of the courts 2010 - 2012 | Variation as part of the total 2010 - 2012 (in % points) | | | | | | | |
|------------------------|---|--|---|--|---|--|--|--------|--|
| | | Annual public budget allocated to (gross) salaries | Annual public budget allocated to computerisation | Annual public budget allocated to justice expenses | Annual public budget allocated to court buildings | Annual public budget allocated to investments in new buildings | Annual public budget allocated to training & education | Other | |
| Albania | 18,6% | 5,6% | 0,4% | -12,1% | 0,8% | 1,1% | -0,1% | NA | |
| Andorra | 4,3% | 3,6% | NA | 0,5% | 0,1% | NA | 0,1% | NA | |
| Armenia | 3,8% | 2,7% | NA | 0,0% | -3,6% | NA | -0,5% | 6,3% | |
| Austria | NA | NA | NA | NA | NA | NA | NA | NA | |
| Azerbaijan | 45,7% | 2,1% | 10,8% | NA | 0,9% | 26,9% | 4,1% | 0,9% | |
| Belgium | NA | NA | NA | NA | NA | NA | NA | NA | |
| Bosnia and Herzegovina | 6,9% | 6,8% | 0,2% | 0,0% | 0,0% | NA | -0,1% | 0,0% | |
| Bulgaria | 11,3% | 3,3% | 0,0% | NA | NA | NA | 0,0% | 12,5% | |
| Croatia | -25,9% | 1,9% | -2,6% | NA | -2,4% | NA | -0,5% | NA | |
| Cyprus | -8,7% | 1,4% | 0,0% | 0,1% | -0,5% | -9,9% | 0,0% | 0,2% | |
| Czech Republic | 7,0% | 21,2% | -0,3% | 1,0% | 1,5% | NA | 0,1% | -16,4% | |
| Denmark | 12,2% | 4,2% | -0,4% | NA | 4,6% | NA | 0,0% | -0,9% | |
| Estonia | 10,9% | 7,2% | 2,0% | -1,9% | 0,6% | NA | -0,1% | 3,2% | |
| Finland | 2,7% | 1,5% | 0,3% | -0,1% | 1,2% | NA | NA | -0,5% | |
| France | 2,0% | 3,5% | 0,1% | 0,1% | -0,6% | -0,5% | 0,3% | -1,0% | |
| Georgia | 3,1% | -9,7% | 0,9% | -10,2% | 6,0% | 12,5% | 0,2% | 3,6% | |
| Germany | 6,6% | 3,6% | 0,1% | 0,8% | -0,4% | 0,0% | 0,2% | 2,2% | |
| Greece | NA | NA | NA | NA | NA | NA | NA | NA | |
| Hungary | 25,5% | 10,0% | -2,4% | -0,6% | 0,5% | NA | 0,0% | NA | |
| Ireland | -28,0% | -2,3% | 0,1% | 3,1% | -3,0% | -21,6% | -0,4% | -3,9% | |
| Italy | -2,1% | 1,5% | 0,2% | 0,2% | -2,9% | NA | 0,0% | -1,2% | |
| Latvia | 20,5% | 22,7% | -2,1% | -0,6% | 1,6% | NA | 0,1% | -1,2% | |
| Lithuania | 5,1% | 22,7% | -0,8% | 0,2% | 0,5% | NA | 0,2% | -19,7% | |
| Luxembourg | NA | NA | NA | NA | NA | NA | NA | NA | |
| Malta | NA | NA | NA | NA | NA | NA | NA | NA | |
| Republic of Moldova | 13,1% | 11,1% | -5,8% | NA | 12,0% | -8,4% | -2,1% | 6,2% | |
| Monaco | NA | NA | NA | NA | NA | NA | NA | NA | |
| Montenegro | NA | NA | NA | NA | NA | NA | NA | NA | |
| Netherlands | 7,6% | 6,2% | -0,3% | 0,0% | 1,2% | NA | 0,9% | -0,4% | |
| Norway | 12,6% | 13,6% | 1,0% | NA | 7,5% | -0,8% | 0,7% | NA | |
| Poland | 1,0% | 0,2% | 3,4% | 0,8% | 1,7% | -0,3% | 0,0% | -4,8% | |
| Portugal | -9,8% | -6,3% | 2,5% | -2,6% | -0,5% | NA | -2,9% | NA | |
| Romania | -8,6% | 1,4% | 0,0% | 0,0% | 0,3% | 0,0% | 0,9% | -11,2% | |
| Russian Federation | 14,5% | 2,0% | 1,8% | 2,1% | 0,4% | -1,4% | 0,3% | 9,5% | |
| Serbia | 60,3% | 39,5% | NA | NA | 6,3% | NA | NA | 14,5% | |
| Slovakia | 9,2% | -2,7% | 1,0% | 5,8% | 3,2% | NA | 0,1% | 1,9% | |
| Slovenia | -9,9% | -5,3% | -0,1% | -6,0% | 2,4% | -0,6% | -0,3% | NA | |
| Spain | NA | NA | NA | NA | NA | NA | NA | NA | |
| Sweden | NA | NA | NA | NA | NA | NA | NA | NA | |
| Switzerland | 7,1% | 1,4% | 0,1% | -4,3% | 0,2% | 3,5% | 0,0% | 6,1% | |
| The FYROMacedonia | 5,4% | 1,5% | -0,1% | 1,6% | 0,7% | -0,6% | 0,5% | 0,8% | |
| Turkey | NA | NA | NA | NA | NA | NA | NA | NA | |
| Ukraine | NA | NA | NA | NA | NA | NA | NA | NA | |
| UK-England and Wales | 101,7% | 42,4% | 1,8% | 2,8% | 15,7% | -0,1% | 0,0% | 39,2% | |
| UK-Northern Ireland | -2,1% | 0,6% | -3,9% | 3,2% | -1,8% | NA | -0,2% | NA | |
| UK-Scotland | -7,2% | -2,8% | -0,4% | -3,7% | -13,1% | NA | -0,3% | 5,2% | |
| Israel | NA | NA | NA | NA | NA | NA | NA | NA | |
| Average | 9,0% | 6,2% | 0,2% | -0,7% | 1,2% | 0,0% | 0,0% | 1,9% | |
| Median | 6,6% | 2,7% | 0,1% | 0,1% | 0,5% | -0,4% | 0,0% | 0,8% | |
| Minimum | -28,0% | -9,7% | -5,8% | -12,1% | -13,1% | -21,6% | -2,9% | -19,7% | |
| Maximum | 101,7% | 42,4% | 10,8% | 5,8% | 15,7% | 26,9% | 4,1% | 39,2% | |

Table 2.19b Contribution of the various components of the approved budget allocated to the courts - variations between 2012 and 2014, in % points (Q6)

| States/entities | Variation of the total budget of the courts 2012 - 2014 | Variation as part of the total 2012 - 2014 (in % points) | | | | | | | Other |
|------------------------|---|--|---|--|---|--|--|---------------|-------|
| | | Annual public budget allocated to (gross) salaries | Annual public budget allocated to computerisation | Annual public budget allocated to justice expenses | Annual public budget allocated to court buildings | Annual public budget allocated to investments in new buildings | Annual public budget allocated to training & education | | |
| Albania | 18,5% | 16,5% | 0,8% | 0,3% | 0,9% | -2,6% | 0,0% | 2,6% | |
| Andorra | 2,9% | -1,7% | NA | NA | 5,6% | NA | 0,0% | NA | |
| Armenia | 32,5% | 28,4% | NA | 0,0% | 0,0% | NA | NA | NA | |
| Austria | NA | NA | NA | NA | NA | NA | NA | NA | |
| Azerbaijan | 74,5% | 27,9% | 8,4% | NA | 0,7% | 40,0% | 1,3% | -3,6% | |
| Belgium | NA | NA | NA | NA | NA | NA | NA | NA | |
| Bosnia and Herzegovina | 6,7% | 6,0% | 0,2% | -0,1% | 1,3% | NA | 0,0% | -0,3% | |
| Bulgaria | 9,2% | 24,2% | 0,4% | NA | NA | NA | 0,0% | -15,8% | |
| Croatia | 4,3% | -10,9% | -0,2% | NA | 4,4% | NA | 0,1% | NA | |
| Cyprus | -14,1% | -3,8% | -0,2% | 6,8% | -0,4% | -9,8% | -0,2% | NA | |
| Czech Republic | -6,7% | -1,9% | -1,3% | NA | -1,8% | NA | -0,1% | 2,4% | |
| Denmark | -1,0% | -4,5% | 1,5% | 1,0% | 2,0% | NA | 0,0% | -1,0% | |
| Estonia | 29,8% | 25,9% | -2,4% | 2,1% | 2,9% | NA | 0,4% | 0,9% | |
| Finland | 11,0% | 1,4% | 1,2% | 2,9% | 0,3% | NA | 0,0% | 4,8% | |
| France | 7,0% | 4,8% | 0,0% | -0,3% | 0,0% | 0,9% | 0,7% | 0,9% | |
| Georgia | 25,3% | 33,3% | -0,7% | 1,7% | 0,2% | -9,3% | 1,6% | -1,5% | |
| Germany | NA | -2,9% | NA | 1,3% | NA | NA | NA | NA | |
| Greece | NA | NA | NA | NA | NA | NA | NA | NA | |
| Hungary | -13,0% | -28,3% | 1,3% | 3,7% | -6,3% | 5,4% | NA | 11,3% | |
| Ireland | -2,4% | -1,7% | -1,6% | 0,0% | -0,4% | -17,9% | -0,1% | 19,4% | |
| Italy | -1,4% | -0,5% | -0,2% | 0,1% | -1,2% | NA | 0,0% | 0,3% | |
| Latvia | 15,3% | 7,6% | 2,5% | 0,2% | 4,7% | NA | 0,1% | 0,2% | |
| Lithuania | 18,5% | 17,6% | 0,8% | 0,3% | 0,1% | 0,8% | -0,3% | -0,8% | |
| Luxembourg | NA | NA | NA | NA | NA | NA | NA | NA | |
| Malta | 16,5% | 10,6% | NA | -2,8% | NA | -2,1% | 0,0% | NA | |
| Republic of Moldova | 98,9% | 59,6% | 1,2% | NA | 6,1% | NA | -0,3% | 2,1% | |
| Monaco | NA | NA | NA | NA | NA | NA | NA | NA | |
| Montenegro | 3,4% | -0,2% | -0,6% | -0,2% | 0,0% | NA | 0,3% | NA | |
| Netherlands | 0,0% | -0,2% | -0,8% | 0,0% | 0,6% | NA | -0,5% | 0,9% | |
| Norway | -12,4% | -10,9% | 1,5% | NA | -7,6% | NA | -0,5% | NA | |
| Poland | 1,9% | 2,6% | -0,2% | 0,1% | 0,2% | -0,3% | 0,2% | -0,6% | |
| Portugal | -13,2% | -10,4% | -2,2% | -2,7% | 2,4% | NA | -0,3% | NA | |
| Romania | 64,2% | 9,9% | 0,0% | 0,3% | -1,3% | 2,6% | -1,0% | 53,7% | |
| Russian Federation | -4,6% | -3,8% | -0,2% | 0,0% | -0,2% | -2,1% | -0,2% | 2,0% | |
| Serbia | -12,5% | -6,4% | NA | NA | -4,9% | NA | NA | -8,5% | |
| Slovakia | -0,9% | 3,2% | -0,5% | 0,1% | -1,7% | NA | -0,2% | -1,9% | |
| Slovenia | 2,7% | 0,1% | -1,3% | 3,9% | 0,1% | NA | -0,1% | NA | |
| Spain | -4,4% | 56,0% | NA | NA | NA | NA | NA | NA | |
| Sweden | -4,4% | -1,2% | -1,1% | NA | -0,6% | NA | -0,3% | -1,1% | |
| Switzerland | 13,3% | 5,0% | -0,5% | 5,6% | -0,5% | NA | 0,1% | 7,6% | |
| The FYROMacedonia | 2,5% | 2,1% | 1,3% | -0,9% | -0,1% | -0,2% | 0,0% | 1,3% | |
| Turkey | NA | NA | NA | NA | NA | NA | NA | NA | |
| Ukraine | -40,5% | -11,1% | -20,5% | NA | NA | NA | NA | -9,3% | |
| UK-England and Wales | -2,8% | 1,7% | 3,5% | 0,0% | -0,3% | NA | 0,0% | -7,8% | |
| UK-Northern Ireland | 3,4% | -19,7% | 1,7% | 23,1% | -1,6% | NA | -0,1% | NA | |
| UK-Scotland | 4,5% | 4,6% | 2,7% | 6,6% | 2,8% | -8,5% | -0,1% | -3,6% | |
| Israel | 29,5% | 17,8% | 2,2% | 2,0% | 7,1% | -3,1% | 0,6% | 3,1% | |
| Average | 6,2% | 0,2% | -0,7% | 1,2% | 0,0% | 0,0% | 1,9% | 8,5% | |
| Median | 2,7% | 0,1% | 0,1% | 0,5% | -0,4% | 0,0% | 0,8% | 2,9% | |
| Minimum | -9,7% | -5,8% | -12,1% | -13,1% | -21,6% | -2,9% | -19,7% | -40,5% | |
| Maximum | 42,4% | 10,8% | 5,8% | 15,7% | 26,9% | 4,1% | 39,2% | 98,9% | |

15 States or entities have reduced their budget allocated to the courts between 2012 and 2014, 23 states have increased it. The budget increase in **Israel** is around 30 %. In 3 states, the variation in the budget allocated to the courts is negative when measured in Euros but positive when taking into account the sharp depreciation of the exchange rate during the period analysed (**Czech Republic, Norway, Russian Federation** and **Ukraine**). In 2 entities, on the contrary, the 2012-2014 variation is negative in local currency but positive in Euros given the appreciation of the currency against the euro (**UK-Northern Ireland** and **UK-Scotland**).

Republic of Moldova has almost doubled (99 % in total) its budget between 2012 and 2014. This is due in large part (60 % of 99 % total) to the increase in judges' salaries and in some categories of officials within the judiciary.

The investment in favour of courts between 2012 and 2014 is also significant in **Azerbaijan** (+ 74,53 %) and **Romania** (+ 64,22 %) and to a lesser extent in **Georgia** (+ 25,28 %), **Estonia** (+ 29,81 %) and **Armenia** (+ 32,52 %). The salary increases largely contribute to the budget increase recorded in the **Republic of Moldova, Estonia** and **Georgia** while investments in buildings constitute the main factor in **Azerbaijan**. In **Romania**, the increase in the category "other expenses" resulted in the increase of the budget of the courts.

Budget cuts are noteworthy in **Portugal** (-13,17 %) and **Hungary** (-12,96 %). They particularly affect gross salaries in these 2 states. In **Hungary**, they also affect the budget allocated to court buildings but are partially offset by increased budgets for computerisation of courts, justice expenses, investment in new buildings and for the category "other expenses", including in particular maintenance costs, unforeseen staff costs, and a portion of the expenses related to staff training.

The cases of the **Russian Federation** (- 4,6 %), **Czech Republic** (-6,75 %), **Norway** (-12,39 %) and **Ukraine** (-40,50 %) are particular since, despite the fact that the budgetary variations are negative in these states if considered in Euros, they appear as positive in local currencies due to the strong negative impact of the exchange rate.

Budget variations presented in the figure above should be tempered by taking into account the variations in exchange rates between the local currency and the Euro for countries outside the Euro zone. The appreciation of the currency in the **United-Kingdom** between 2012 and 2014 tempers the budgetary variations in **UK-Northern Ireland** (+ 3,36 %) and **UK-Scotland** (+ 4,49 %) which are actually negative, while the increasing budgetary efforts in the **Latvia** (+ 15,31 %), **Armenia** (+ 32,52 %) and **Republic of Moldova** (+ 98,90 %) are even more significant if we consider the negative variation in exchange rates during the same period.

As for the variations in the budgets allocated to judicial systems, these elements are also to be weighted by the rate of inflation observed by states over the same period.

As mentioned above, the decrease for **Ukraine** is only due to the depreciation of the exchange rate against the Euro in local currency; the real budget of **Ukraine** has increased.

2.3.4.2 Evolution of the public annual budget of the courts between 2010 and 2014

Table 2.20 Evolution of the approved annual budgets of the courts between 2010 and 2014, in absolute values (Q6)

| States/entities | Approved budget for all courts | | | Evolution |
|------------------------|--------------------------------|-----------------|-----------------|-----------|
| | 2010 | 2012 | 2014 | |
| Albania | 10 552 684 € | 12 513 000 € | 14 821 816 € | |
| Andorra | 5 803 340 € | 6 054 897 € | 6 231 437 € | |
| Armenia | 11 285 536 € | 11 717 070 € | 15 528 020 € | |
| Austria | | | | |
| Azerbaijan | 40 315 230 € | 58 719 620 € | 102 485 992 € | |
| Belgium | | | | |
| Bosnia and Herzegovina | 73 345 061 € | 78 397 704 € | 83 657 645 € | |
| Bulgaria | 112 211 184 € | 124 911 954 € | 136 407 333 € | |
| Croatia | 211 304 301 € | 156 601 458 € | 163 302 114 € | |
| Cyprus | 33 546 827 € | 30 611 480 € | 26 287 423 € | |
| Czech Republic | 346 497 809 € | 370 751 152 € | 345 730 027 € | |
| Denmark | 216 795 693 € | 243 294 736 € | 240 945 242 € | |
| Estonia | 26 797 340 € | 29 728 350 € | 38 589 501 € | |
| Finland | 243 066 350 € | 249 704 356 € | 277 295 000 € | |
| France | 2 859 480 770 € | 2 917 700 110 € | 3 123 051 554 € | |
| Georgia | 16 214 854 € | 16 714 717 € | 20 939 664 € | |
| Germany | 7 789 169 914 € | 8 302 304 846 € | | |
| Greece | | | | |
| Hungary | 259 501 133 € | 325 687 695 € | 283 479 317 € | |
| Ireland | 148 722 000 € | 107 090 000 € | 104 565 000 € | |
| Italy | 3 051 375 987 € | 2 986 521 397 € | 2 945 513 378 € | |
| Latvia | 36 919 820 € | 44 494 921 € | 51 305 248 € | |
| Lithuania | 50 567 945 € | 53 138 612 € | 62 969 474 € | |
| Luxembourg | | | | |
| Malta | 10 260 000 € | 11 527 427 € | 13 427 603 € | |
| Republic of Moldova | 8 472 063 € | 9 581 963 € | 19 058 415 € | |
| Monaco | | | | |
| Montenegro | 19 943 898 € | 19 252 931 € | 19 908 315 € | |
| Netherlands | 993 086 000 € | 1 068 773 500 € | 1 068 474 000 € | |
| Norway | 207 841 410 € | 234 000 000 € | 205 000 000 € | |
| Poland | 1 365 085 000 € | 1 379 338 000 € | 1 405 850 000 € | |
| Portugal | 528 943 165 € | 476 924 836 € | 414 114 841 € | |
| Romania | 355 246 737 € | 324 611 610 € | 533 090 063 € | |
| Russian Federation | 2 912 743 823 € | 3 336 134 801 € | 3 184 300 240 € | |
| Serbia | 111 016 635 € | 177 981 291 € | | |
| Slovakia | 139 851 564 € | 152 715 786 € | 151 291 595 € | |
| Slovenia | 178 158 919 € | 160 526 569 € | 164 850 383 € | |
| Spain | | 3 722 715 019 € | 3 558 656 779 € | |
| Sweden | 557 260 358 € | 637 246 965 € | | |
| Switzerland | 916 146 809 € | 981 206 021 € | 1 111 423 623 € | |
| The FYROMacedonia | 28 541 751 € | 30 084 276 € | 30 833 675 € | |
| Turkey | | | | |
| Ukraine | 228 667 631 € | 410 373 391 € | 244 189 579 € | |
| UK-England and Wales | 1 182 000 000 € | 2 384 439 794 € | 2 316 791 217 € | |
| UK-Northern Ireland | 83 154 000 € | 81 393 000 € | 84 124 036 € | |
| UK-Scotland | 146 420 820 € | 135 811 499 € | 141 908 000 € | |
| Israel | | 289 565 906 € | 375 113 449 € | |
| Average | 654 264 471 € | 796 532 419 € | 613 794 528 € | |
| Median | 148 722 000 € | 158 564 014 € | 151 291 595 € | |
| Minimum | 5 803 340 € | 6 054 897 € | 6 231 437 € | |
| Maximum | 7 789 169 914 € | 8 302 304 846 € | 3 558 656 779 € | |

In general, one can note a trend towards the recovery of investment in favour of the courts in 2012-2014 after a period of severe budgetary restrictions as a result of the economic and financial crisis.

The trend observed over the 2010-2014 period is, however, not homogeneous between states. 4 states have increased their budgets allocated to courts during the 2012-2014 period, while they had decreased them in the previous period. This is the case for **Croatia, Montenegro, Romania and Slovenia**. It is also the case for **Armenia, Finland, Georgia, Lithuania, Republic of Moldova, Norway and Poland**, if one considers the adjusted budgetary evolutions following from the variations in exchange and/or inflation rates.

One should also note that between 2012 and 2014, Eastern and South-Eastern Europe states continued their efforts initiated in 2010-2012 after a previous period of budget cuts: **Albania, Estonia, Latvia, Bulgaria and Bosnia-Herzegovina**.

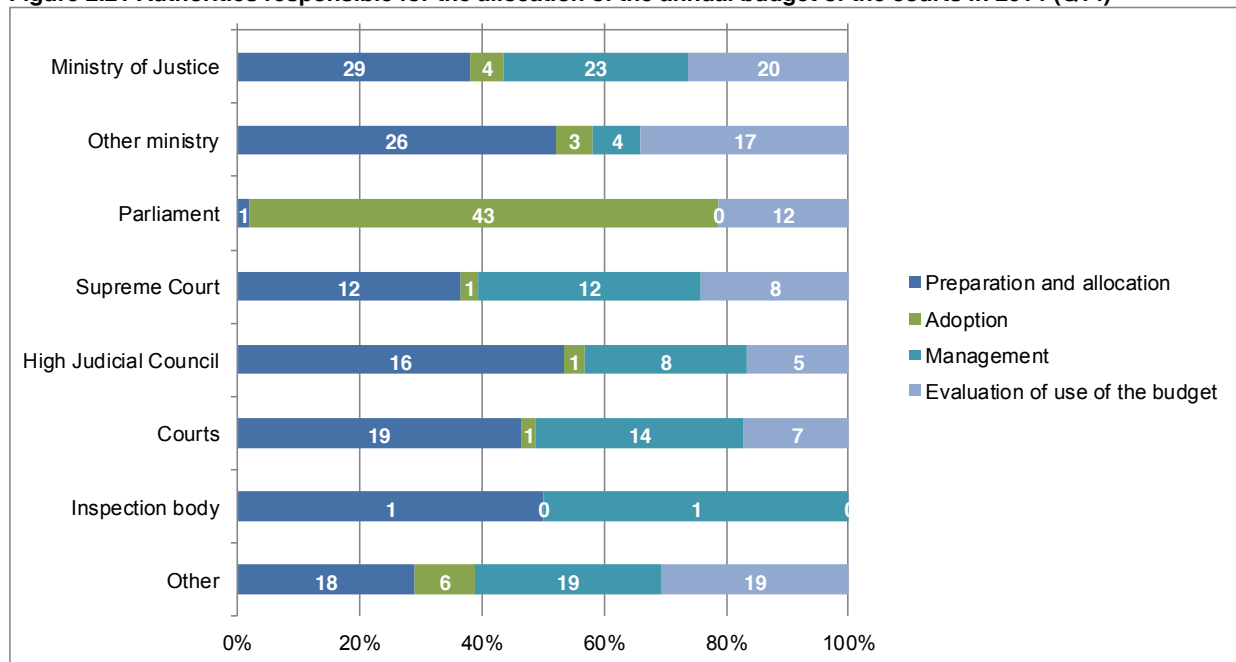
The trend also remains positive over the 2010-2014 period for **Andorra, Azerbaijan, France, Malta and Switzerland** (and the **Czech Republic** after taking into account variations in the exchange rate over the period studied).

5 States or entities (**Denmark, Netherlands, Hungary, Russian Federation and UK-England and Wales**) had to reduce their budgets allocated to the courts between 2012 and 2014, which had increased over the previous period. **Ukraine** should be added to this group, taking into account the high inflation rates between 2012 and 2014.

Budget cuts are continuing in **Cyprus, Ireland, Italy, Portugal, Spain, UK-Northern Ireland and UK-Scotland** considering the budget variations in local currency.

2.3.5 Budget process for the funding of courts

Figure 2.21 Authorities responsible for the allocation of the annual budget of the courts in 2014 (Q14)



The figure above brings to light the bodies involved in the different phases of the process related to the allocation of the overall budget devoted to the courts.

Regarding the preparation of the budget, this is often within the competence of the Ministry of Justice (in 30 States or entities). It is not the case in **Albania, Andorra, Armenia, Cyprus, Georgia, Hungary, Ireland, Lithuania, Republic of Moldova, Montenegro, Russian Federation, Slovenia, Switzerland, “the former Yugoslav Republic of Macedonia”, UK-Northern Ireland and UK-Scotland**. Other ministries may also be involved in all or part of the preparation of the overall budget of the courts. This is the case for the Ministry of Finance (in 27 States or entities) or other ministries especially in states where specialised courts are

independent from the Ministry of Justice (for example the Ministry of Budgetary Affairs may fund the competent courts for labour law).

The courts themselves are responsible for the preparation of their overall budget in 20 States or entities. Council for the Judiciary or similar bodies are responsible in 16 states and the Supreme Court in 12 states.

Other bodies or institutions may also be involved in 18 States or entities: the Office of Administration of the Judicial Budget in **Albania**, the Council of Presidents of Courts in **Armenia**, the Inspection body in **Bulgaria**, the General Audit Office in **Denmark**, the Directorate of Judicial Services (exercising comparable powers to those of a Ministry of Justice) in **Monaco**, national administrations of justice in **Norway**, governments and regional assemblies in **Spain**, the Budget Council of Courts in “**the former Yugoslav Republic of Macedonia**”, the state Planning Organisation in **Turkey**, the Council of Courts Service Management in **UK-Scotland**. The Parliament is only involved during the preparation of the budget in **Austria**.

The Parliament is responsible for adopting the overall budget of the courts in the vast majority of the States and entities. Only **Armenia** and entities of the **United Kingdom** replied that Parliament had no jurisdiction in this area but it is likely that these responses reflect a misinterpretation of question 14 regarding the formal adoption of the budget. The Ministry of Justice is involved in 5 states: **Estonia, Iceland, Malta, Portugal** and **UK-England and Wales**. Another ministry is involved in **Estonia, Greece** and **Romania**. The Supreme Court is involved in **Estonia**, the High Council of Justice in **Lithuania** and the courts themselves in **UK-Northern Ireland**. One should also note the specific role of federated or autonomous entities in some federal or decentralised states (including governments and regional assemblies in **Spain**).

Most often, budget management and budget distribution between the courts is ensured by the executive: Ministry of Justice (23 States or entities) and/or other ministries, most of the time the Ministry of Finance (4 states) and/or the judiciary represented by the courts themselves (in 14 States or entities) and / or the Supreme Court (in 12 states) and/or the Council for the Judiciary or similar bodies (in 8 states). The inspection bodies which may intervene in some states in the field budget preparation often have a role to play also in managing the budget.

The task of evaluation of the use of the budget at national level is mainly under the competence of the executive, the Ministry of Justice (20 States or entities) or other ministries (17 States or entities). Parliament is competent in 12 states, the Supreme Court in 8 states, Councils for the Judiciary or similar bodies in 5 states and the courts in 7 States or entities. 19 states resort to other bodies (e.g. an audit body in **Greece, Latvia, Sweden**).

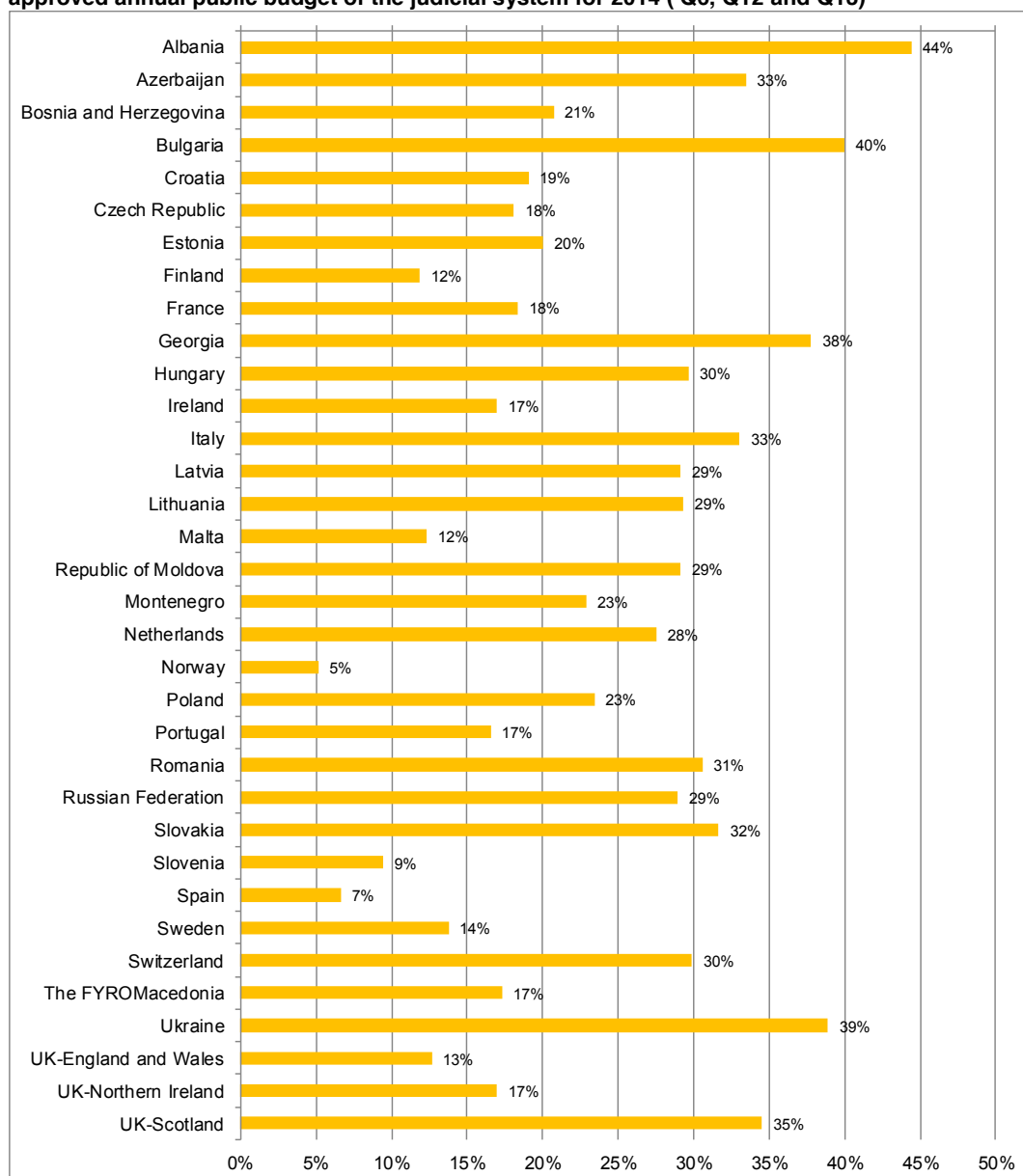
2.4 Annual public budget allocated to the public prosecution services

In Recommendation Rec(2000)19 adopted by the Committee of Ministers of the Council of Europe on 6 October 2000, prosecutors are defined as: “*public authorities who, on behalf of society and in the public interest, ensure the application of the law where the breach of the law carries a criminal sanction, taking into account both the rights of the individual and the necessary effectiveness of the criminal justice system*”.

The following analysis must consider differences between States or entities as regards the scope of the powers granted to public prosecutors in criminal proceedings, as well as possible powers outside the criminal field in a number of States or entities.

2.4.1 Part of the annual public budget allocated to public prosecution services within the total budget of the judicial system

Figure 2.22 Part of the approved annual public budget allocated to public prosecution services within the total approved annual public budget of the judicial system for 2014 (Q6, Q12 and Q13)



In respect of States or entities for which the part of the annual public budget of the judicial system allocated to public prosecution services could be calculated (35), the average is 25 %. The latter is almost identical to the average identified for the previous evaluation cycles.

South-Eastern and Eastern European states (**Albania, Azerbaijan, Bulgaria, Cyprus, Georgia, Hungary, Latvia, Lithuania, Republic of Moldova, Romania, Russian Federation, Slovakia, Ukraine**) are still characterised by a strong position conferred upon public prosecution services within the judicial system (close to or more than 30 % of the total budget).

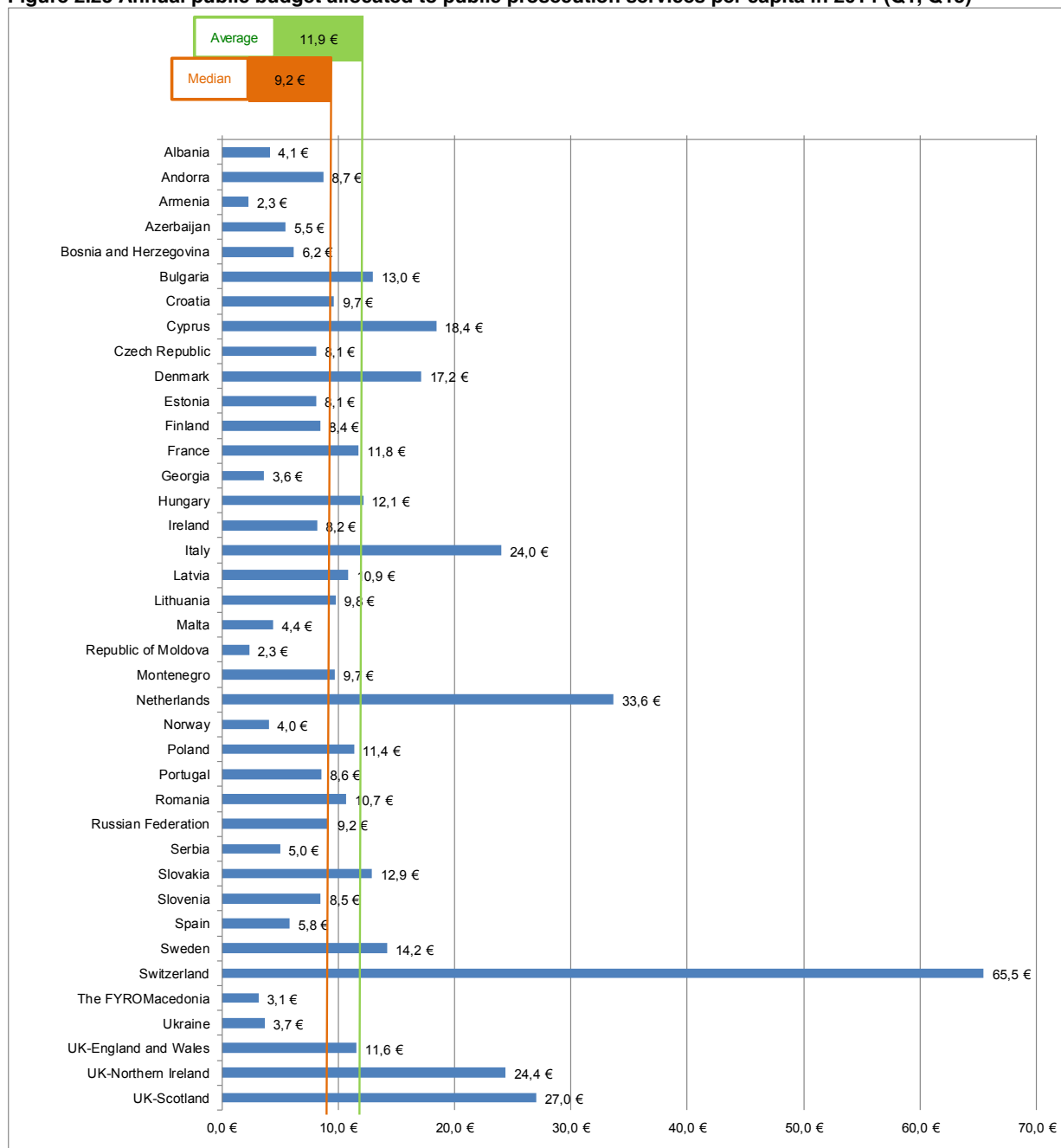
Likewise, in **Switzerland** and **UK-Scotland**, the annual public budget allocated to public prosecution services represents about one third of the annual public budget granted to the judicial system. 3 states confer less than 10 % of the annual public budget of the judicial system to public prosecution services (**Norway, Slovenia** and **Spain**). In 11 States or entities (**Estonia, Finland, France, Ireland, Malta, Montenegro, Netherlands, Poland, Portugal, “the former Yugoslav Republic of Macedonia”** and **UK-Northern Ireland**), the part of the annual public budget allocated to public prosecution services within the total budget of the judicial system is intermediate (between 12 % and 28 %).

2.4.2 Annual public budget allocated to public prosecution services in 2014

39 States or entities were able to identify the specific budget allocated to the public prosecution services for 2014. The data is not available for **Iceland**. It cannot be isolated for **Austria, Belgium, Germany, Greece, Luxembourg, Monaco** and **Turkey** since the budgetary management is shared between the public prosecution services and the courts. **France**, which is in the same situation, has retained, with regard to the number of staff, a distribution key by estimating at 25 % the funds dedicated to the public prosecution services.

2.4.2.1 Budget allocated to public prosecution services per capita in 2014

Figure 2.23 Annual public budget allocated to public prosecution services per capita in 2014 (Q1, Q13)



The European average as regards the annual public budget allocated to public prosecution services per capita in 2014 is 12 € (11,4 € in 2012).

Switzerland confers 65 € per year and per capita upon the Public Prosecution Office which is substantially more than all other states. Indeed, following the abolition of the function of investigating judge, the country has expanded the role and financial resources of the public prosecution services within the criminal proceedings.

Other 4 States or entities allocate more than 20 € per capita: **Netherlands** (34 €), **UK-Scotland** (27 €), **UK-Northern Ireland** (24 €) and **Italy** (24 €).

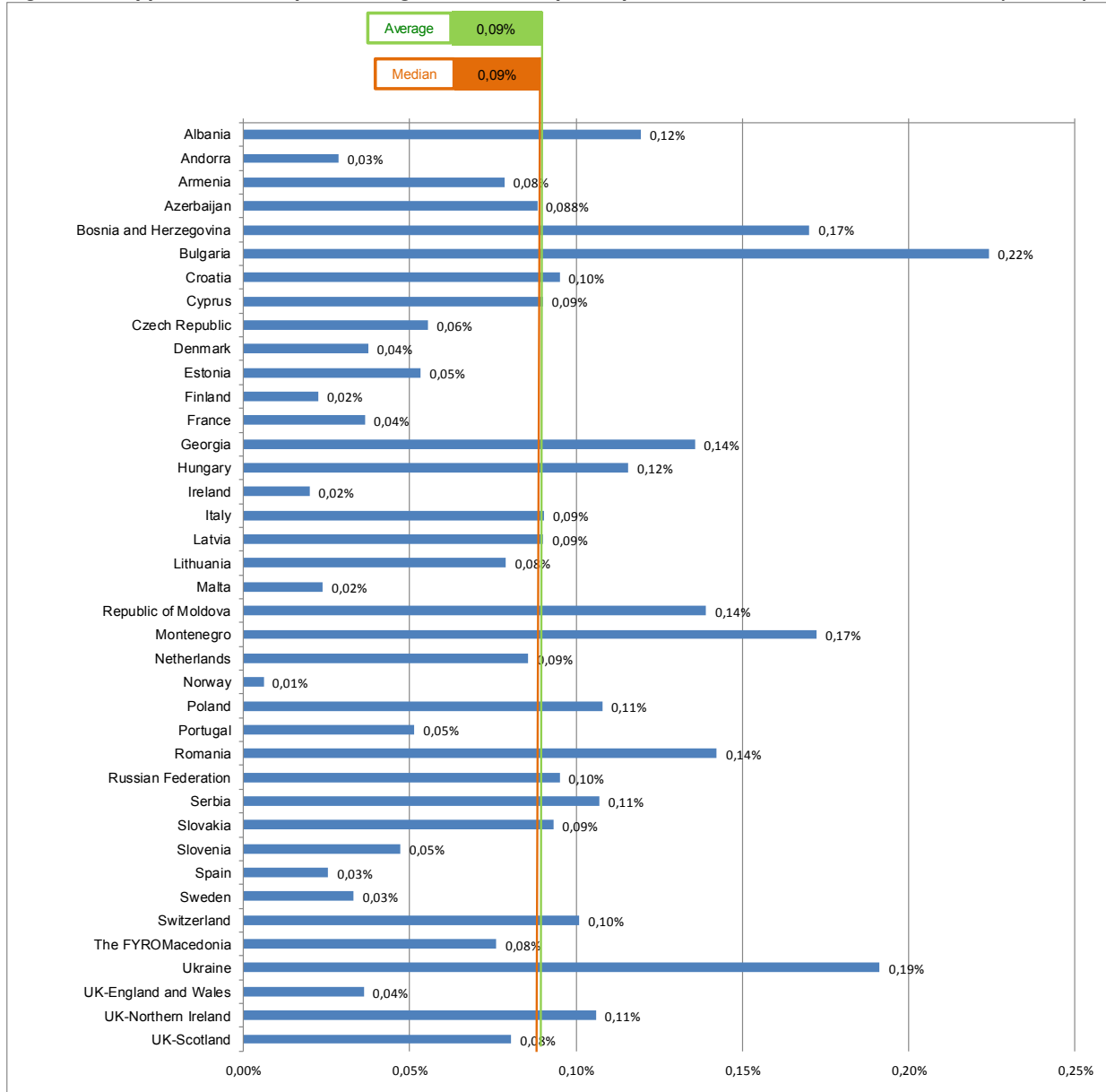
In 14 States or entities, the annual public budget of the public prosecution services is between 10 and 20 € per capita: **Cyprus** (18 €), **Denmark** (17 €), **Sweden** (14 €), **Bulgaria** and **Slovakia** (13 €), **Hungary**, **France** and **UK-England and Wales** (12 €), **Poland**, **Latvia** and **Romania** (11 €), **Lithuania**, **Montenegro** and **Croatia** (10 €).

Lastly, 20 States or entities allocate less than 10 € per year and per capita to the public prosecution services: **Russian Federation**, **Andorra**, **Portugal** and **Slovenia** (9 €), **Finland**, **Ireland**, **Czech Republic** and **Estonia** (8 €), **Serbia**, **Bosnia and Herzegovina** and **Spain** (6 €), **Azerbaijan** (5 €), **Malta**, **Albania**, **Norway**, **Ukraine** and **Georgia** (4 €), "the former Yugoslav Republic of Macedonia" (3 €), **Republic of Moldova** and **Armenia** (2 €).

2.4.3 Annual public budget of the public prosecution services per capita compared to the GDP of States or entities in 2014

Akin to the annual public budget allocated to the judicial system and the one allocated to courts, the annual public budget of the public prosecution office can be put in perspective with regard to the wealth of States or entities. The following figure shows that **Bulgaria**, **Ukraine**, **Montenegro** and **Bosnia and Herzegovina** realize the most significant budgetary effort in favour of public prosecution services compared to their wealth. It is noteworthy that these states may have received financial support from the European or other international institutions with the purpose of fostering and strengthening the rule of law.

Figure 2.24 Approved annual public budget allocated to public prosecution services as % of the GDP (Q3, Q13)

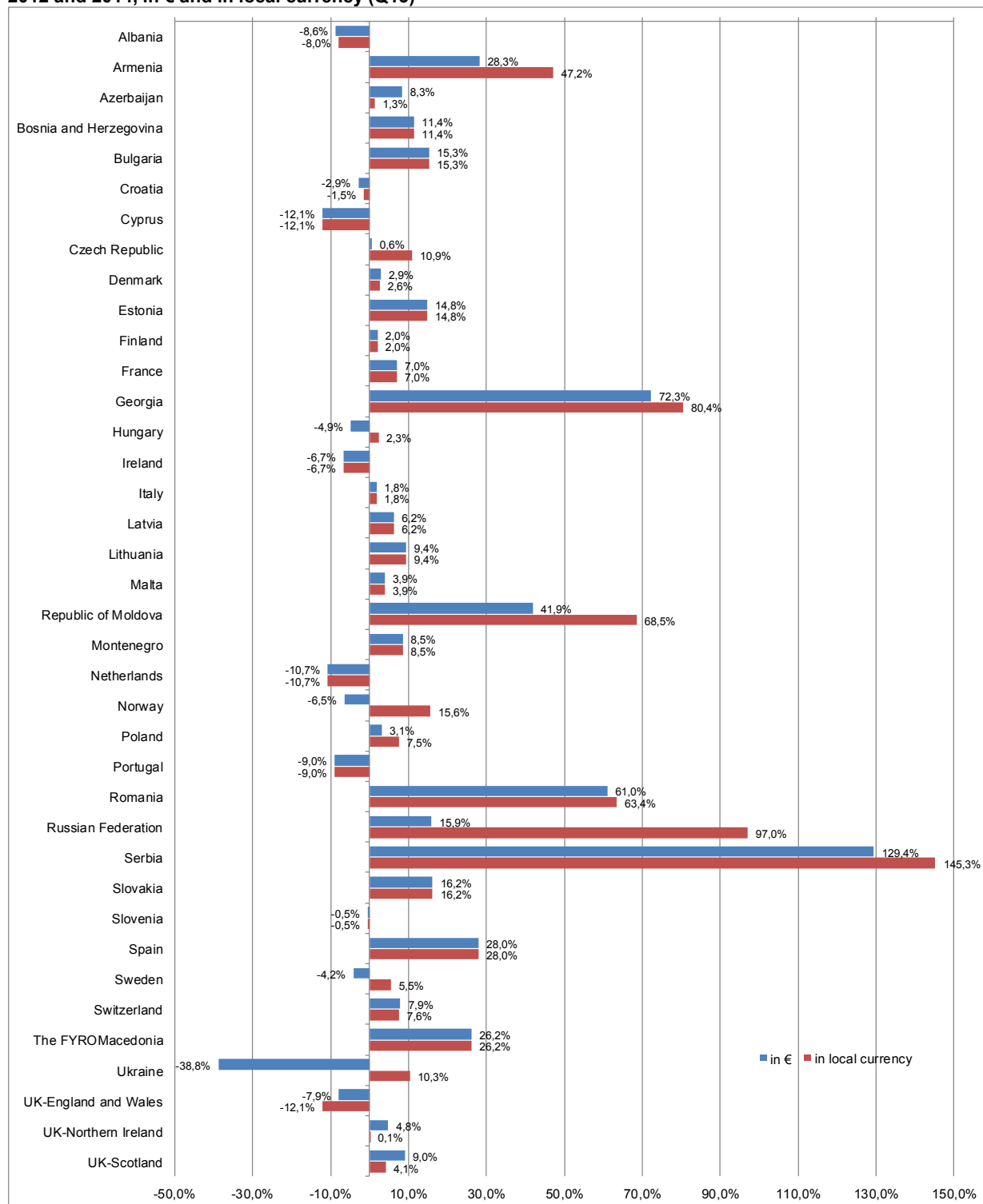


2.4.4 Evolution of the annual public budget allocated to public prosecution services

2.4.4.1 Evolution of the annual public budget allocated to public prosecution services between 2012 and 2014

The variation in the annual public budget allocated to public prosecution services between 2012 and 2014 could be examined in respect of 38 States or entities.

Figure 2.25 Variation in the approved annual public budget allocated to public prosecution services between 2012 and 2014, in € and in local currency (Q13)



For the period 2012-2014, 26 States or entities have increased their budget allocated to public prosecution services (in Euros and in absolute value), while a decrease is observed in this respect in 8 states. In

Hungary, Norway, Sweden and Ukraine, the budgetary variation appears as negative in Euros, but it is actually positive if one takes into consideration the negative progression of the exchange rates compared to the Euro. Likewise, on account of the exchange rate depreciation during the period considered, the budgetary efforts by **Armenia, Czech Republic, Georgia, Latvia, Republic of Moldova, Poland, Romania, Russian Federation and Serbia** are actually even more significant than they appears. Conversely, the assessment of the local currency against the Euro results in overestimating the increase in the budget observed in **Azerbaijan, UK-Northern Ireland and UK-Scotland**.

Again, it is worth taking into account the inflation parameter for the period 2012-2014, given that it may qualify the results of the above graph. Thus, the variation (in local currency) in actual value (*i.e.* including the inflation rate) of the annual public budget allocated to public prosecution services is slightly negative in **Azerbaijan, Denmark, Finland, Hungary, Italy, Malta and UK-Northern Ireland**. In fact, in these States and entities, the inflation rate exceeds the increase in absolute value of the public prosecution office's budget within the period under consideration.

Finally, the increase in the public prosecution office's budget (in local currency) is significant (close to or more than 20 %) in **Armenia, Georgia, Republic of Moldova, Romania, Russian Federation, Serbia, Spain** and "**the former Yugoslav Republic of Macedonia**". In **Lithuania**, investments resumed after the end of the economic crisis and the substantial budgetary cuts witnessed until 2012. Turning to the **Republic of Moldova**, the main reason explaining the increase in the budget since 2012 concerns the financial funds allocated for the implementation of actions in connection with the Justice Sector Reform Strategy for the period 2011-2016. To this end, the **Republic of Moldova** benefits from the financial support from the European Union. The main reason for the increase in the approved annual public budget committed by **Romania** to the public prosecution services in 2014 is that funds allocated for the payment of wage rights established by court decisions were higher than in previous years. In **Serbia** the significant increase may be attributed to the comprehensive changes introduced by the new and Criminal Procedure Code enacted in 2011 that increased competences of public prosecutors, taken from investigative judges. In **Spain**, the increase is due above all to changes in the methodology of estimation of the public prosecutor's office budget. In "**the former Yugoslav Republic of Macedonia**", the increase observed in the budget results from the extension of public prosecutors powers on the one hand, and from additional funds granted by international organisations in the framework of specific projects aimed at computerisation, on the other hand.

The most significant decrease in the public prosecution office's budget is to be noticed in **Cyprus, Netherlands and Portugal**. Moreover, in **UK-England and Wales** the reduction in the budget for the Crown Prosecution Service in 2014 reflects a reduction in the overall case load volume and is in line with the 2010 Spending Review.

2.4.4.2 Evolution of the annual public budget allocated to public prosecution services between 2010 and 2014

Table 2.26 Variations in the approved public budgets allocated to public prosecution services between 2010 and 2014, in absolute values (Q13)

| States/entities | Approved budget for public prosecution | | | Evolution |
|------------------------|--|-----------------|-----------------|-----------|
| | 2010 | 2012 | 2014 | |
| Albania | 8 901 893 € | 13 000 734 € | 11 880 336 € | |
| Andorra | 810 965 € | | 669 347 € | |
| Armenia | 4 496 722 € | 5 356 768 € | 6 870 600 € | |
| Austria | | | | |
| Azerbaijan | 40 007 281 € | 47 881 654 € | 51 878 281 € | |
| Belgium | | | | |
| Bosnia and Herzegovina | 20 400 465 € | 21 290 084 € | 23 721 425 € | |
| Bulgaria | 79 203 203 € | 81 248 370 € | 93 698 490 € | |
| Croatia | 41 296 176 € | 42 040 323 € | 40 820 393 € | |
| Cyprus | 15 964 412 € | 17 971 759 € | 15 798 704 € | |
| Czech Republic | 83 446 289 € | 84 706 722 € | 85 213 339 € | |
| Denmark | | 94 400 000 € | 97 116 986 € | |
| Estonia | 9 135 614 € | 9 256 322 € | 10 627 825 € | |
| Finland | 42 937 000 € | 45 312 000 € | 46 223 000 € | |
| France | 714 870 193 € | 729 425 027 € | 780 762 888 € | |
| Georgia | 7 333 463 € | 7 836 580 € | 13 500 000 € | |
| Germany | 479 916 106 € | 523 346 503 € | | |
| Greece | | | | |
| Hungary | 102 321 320 € | 125 851 993 € | 119 744 000 € | |
| Ireland | 43 854 000 € | 40 528 000 € | 37 813 000 € | |
| Italy | 1 249 053 619 € | 1 435 025 477 € | 1 460 367 057 € | |
| Latvia | 15 913 545 € | 20 495 958 € | 21 771 366 € | |
| Lithuania | 29 555 000 € | 26 101 135 € | 28 563 485 € | |
| Luxembourg | | | | |
| Malta | | | | |
| Republic of Moldova | 4 416 909 € | 5 877 744 € | 8 339 575 € | |
| Monaco | 1 357 600 € | | | |
| Montenegro | 5 176 984 € | | | |
| Netherlands | 615 642 000 € | 636 924 000 € | 568 734 000 € | |
| Norway | 18 298 000 € | 22 266 400 € | 20 818 906 € | |
| Poland | 312 514 570 € | 424 128 567 € | 437 424 395 € | |
| Portugal | 119 901 622 € | 97 551 326 € | 88 786 150 € | |
| Romania | 162 428 333 € | 148 321 292 € | 238 801 232 € | |
| Russian Federation | 934 551 021 € | 1 161 610 701 € | 1 346 581 851 € | |
| Serbia | 22 608 698 € | 15 498 237 € | 35 550 816 € | |
| Slovakia | 63 702 886 € | 60 309 536 € | 70 099 751 € | |
| Slovenia | 19 263 376 € | 17 655 253 € | 17 559 460 € | |
| Spain | NA | 211 352 960 € | 270 480 209 € | |
| Sweden | 127 316 425 € | 144 485 809 € | 138 456 474 € | |
| Switzerland | 297 932 258 € | 499 544 104 € | 539 206 343 € | |
| The FYROMacedonia | 4 740 867 € | 5 153 300 € | 6 502 821 € | |
| Turkey | | | | |
| Ukraine | | | | |
| UK-England and Wales | 755 810 000 € | 722 425 593 € | 665 125 835 € | |
| UK-Northern Ireland | 43 500 000 € | 42 860 000 € | 44 923 000 € | |
| UK-Scotland | 135 475 200 € | 132 549 350 € | 144 512 612 € | |
| Israel | | | | |
| Average | 179 298 757 € | 214 433 044 € | 210 803 999 € | |
| Median | 42 937 000 € | 54 095 595 € | 49 050 641 € | |
| Minimum | 810 965 € | 5 153 300 € | 669 347 € | |
| Maximum | 1 249 053 619 € | 1 435 025 477 € | 1 460 367 057 € | |

Over a longer period (2010-2014), it is possible to highlight the substantial budgetary efforts of **Armenia, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Czech Republic, Estonia, Finland, France, Georgia, Italy, Latvia, Republic of Moldova, Montenegro, Poland, Russian Federation, Switzerland, “the former Yugoslav Republic of Macedonia”**, as well as **Hungary, Norway, Sweden** and finally **Ukraine**, provided that the variation of the exchange rate is taken into account.

The increase in the annual public budget allocated to public prosecution services can be explained, depending on the states, by the increase in the number of prosecutor staff (**Switzerland**), and/or the increase in salaries (**Republic of Moldova**), and/or the extension of the scope of the powers of public prosecutors (**Serbia, “the former Yugoslav Republic of Macedonia”**), the development of new technology and communication tools (**Azerbaijan, “the former Yugoslav Republic of Macedonia”**), the refurbishment of buildings (**Azerbaijan**), or organizational changes requiring financial means (**Bulgaria, Poland**). With regard to **Latvia, Republic of Moldova** and **Poland**, continuing budgetary endeavours for 2012-2014 confirm the end of the crisis observed in the framework of the previous evaluation.

It is noteworthy that **Lithuania, Malta, Romania, Serbia, Slovakia, UK-Northern Ireland** and **UK-Scotland**, which reported budgetary cuts for the previous evaluation cycle, were able to reverse the trend for 2012-2014.

By contrast, some states that increased their public prosecution office’s budget during the period 2010-2012 have reduced it between 2012 and 2014. This includes **Albania, Croatia, Cyprus** and **Netherlands**.

Since 2010, budget cutbacks continue in **Ireland, Portugal, Slovenia** and **UK-England and Wales**.

2.5 Court taxes or fees

Map 2.27 Court taxes or fees per capita in 2014 (Q8 and Q9)

