

Bulgaria

Judicial Performance, Caseload and Expenditure Review (2008-2014)

November 2015

Global Governance Practice

Europe and Central Asia Region

The World Bank

CURRENCY EQUIVALENTS
(Exchange Rate Effective August 31, 2015)

Currency Unit = Bulgarian Leva (BGN)
0.57 = 1 US\$

FISCAL YEAR
January 1 – December 31

ABBREVIATIONS AND ACRONYMS

BGN	Bulgarian Leva
CEPEJ	European Commission on Efficiency of Justice
CoE	Council of Europe
CoM	Council of Ministers
CR	Clearance Rate
DP	Disposition Time
EU	European Union
GDP	Gross Domestic Product
JSA	Judicial Systems Act
MOF	Ministry of Finance
MOJ	Ministry of Justice
NAO	National Audit Office
NIS	National Investigative Service
PAC	Proposal and Attestation Committee
PEIR	Public Expenditure and Institutional Review
SJC	Supreme Judicial Council

Vice President	Cyril E. Muller
Country Director	Mamta Murthy
Country Manager	Antony Thomson
Practice Manager	Adrian Fozzard
Primary Author	Arun Arya
Task Team Leader	David Bernstein

Table of Contents

Table of Contents.....	3
Executive Summary.....	6
Summary of Recommendations	9
Preface	10
I. Legal Framework for Administration of Justice	11
II. Justice Sector Reform Strategy	14
III. Performance of Judiciary in Terms of Case Disposition.....	16
Table 2: Clearance Rate and Disposition Time of Bulgarian Courts between 2008 and 2014	18
Table 3: Comparison of Clearance Rate and Disposition Time among CoE States in 2012.....	19
IV. Judicial Caseload in Bulgaria	21
Table 5: Number of Judges and Caseloads per Type of Court in 2014.....	21
Table 6: District Courts with consistent low caseloads since 2010.....	24
Table 7: Regional Courts with consistent low caseload between 2010 and 2014.....	25
V. Benchmarking of Number of Judges	25
Table 8: Comparison of Number of Professional Judges per 100,000	26
in Bulgaria and other CoE States.....	26
Table 9: Number of Incoming Cases between 2008 and 2014	27
Table 10: Number of Judicial Positions in Different Courts between 2008 and 2014	27
Table 11: Comparative Ratio of Courts to Population	28
by Country	28
VI. Investigation Magistrates	30
VII. Secondment Program.....	30

Table 12: Number of Judges Seconded by Institution in 2015	31
Table 13: Number of Cases Completed and Pending by Court Type	31
Table 14: Length of Secondment Service	32
VIII. Support Staff in Judiciary	32
Table 15: Ratio of Support Staff to Judges	32
Table 16: Comparative Ratio of Staff to Judges.....	33
IX. Expenditure Framework for the Judiciary Sector.....	34
Table 17: Judicial Budget Request Compared to State Budget Act and Actual Expenditures.....	35
(Amount in 1000 BGN)	35
X. Trends in Judiciary Budget and Expenditure	35
Table 18: Judicial State Budget Act Funding and Institutional Expenditure.....	36
Figure 1: Budget and Expenditure of the Judiciary (2007-2014)	36
Table 19: Annual Budget allocations to Judicial Systems: Comparison with CoE states.....	37
Table 19b: Annual Budget allocation to Judicial Systems: Comparison to CoE States	37
XI. Funding Operations of the Judiciary.....	38
Table 20: Funding Judicial Operations: Own Resources and Government Subsidy.....	38
XII. Judicial Budget and Expenditure by Administrative Classifications:	39
Table 21: Composition of Judiciary Budget by Administrative Classifications	39
Figure 2: Composition of 2014 Judicial Budget by Administrative Classifications.....	41
Figure 3: Budget and Expenditure by Administrative Classification	42
Table 22: Budget Execution % by Administrative Classifications.....	42
XIII. Judicial Budget and Expenditure by Economic Classifications.....	43
Table 23: Composition of Judicial Budget by Economic Classification.....	43
Figure 4: Composition of Judiciary Budget 2014 by Economic Classifications	44
Table 24: Capital Budget Requests and Approvals by Parliament	45

Table 25: Composition of Judicial Expenditure by Economic Classification	45
Figure 5: Composition Judicial Expenditure in 2014 by Economic Classifications	46
Table 26: Budget Execution by Economic Classification (2008-2014).....	47
Table 27: Budget and Expenditure for Acquisition and Renovation of Judicial Facilities	48
Conclusions and Recommendations	49
ANNEX 1: Case Disposal and Workload between 2008 and 2014	53
ANNEX 2: Court-Wise Actual Workloads between 2008 and 2014	60
ANNEX 3: Benchmarking of Per Capita State Budget and % of GDP with CoE Member States	83
ANNEX 4: Benchmarking of Salaries of Judiciary with other COE Member States.....	86

Executive Summary

The World Bank published a Public Expenditure and Institutional Review (PEIR) of the Bulgarian justice sector entitled “Resourcing the Judiciary for Performance and Accountability: A Judicial Public Expenditure and Institutional Review” in 2008. The objective of the present study is to conduct an assessment of the spending and institutional changes in Bulgaria’s judiciary from 2008 onwards. The current report examines the principal trends in resourcing Bulgaria’s judiciary since 2008, while comparing the expenditure and judicial performance with those of other European countries. The report provides a set of conclusion and recommendations for improving the efficiency and effectiveness of Bulgaria’s judiciary and the judicial budget¹ process.

As per the latest published report on “European judicial systems – Edition 2014 (2012 data): efficiency and quality of justice”, Bulgaria’s annual budget per inhabitant for the entire judicial system was 29.5 euros, which was less than the average of 60.6 euros for the CoE states. However, when compared with the per capita GDP, Bulgaria’s annual budget for its judicial system was 0.54 % of the per capita GDP, which was higher than the average of 0.33 % for the CoE states. Despite high judicial expenditure as a percentage of per capita GDP, Bulgaria’s judiciary has been under-funded in relation to its budget requests and the statutory required minimum salaries for judges. Current expenditures account for 98 % of Bulgaria’s judicial budget, the majority of which is for salaries and other remuneration. However, current budget levels are insufficient to pay the minimum salary for magistrates prescribed under law. The capital budget is also not adequate to meet judicial needs as only about 10-15 % of the judiciary’s capital budget requests are approved by the Parliament. There is scope for the judiciary to increase its own revenues by reforming and raising court filing fees. The Supreme Judicial Council (SJC) has prepared a proposed revision of the tariff and submitted it to the Council of Ministers.

The performance of judiciary in terms of case disposition has been quite satisfactory. The clearance rate in Bulgarian courts has been close to 100 % in all of the past 7 years and the disposition time has been less than 75 days for all years except 2008, both of which can be considered good performance in comparison to other European countries.

At the same time, the report reveals that there is scope for Bulgaria’s judiciary to reorganize itself to improve its efficiency and effectiveness based on an assessment of judicial workloads. There are 2,225 approved judge positions, against which, 1,811 judges are working. The average actual caseload per judge per month at the national level is about 30. There are several courts with caseloads well below this national average. As a result, there is scope to redeploy surplus or underworked judges to other courts with high caseloads. At the national level, as an initial step in a broader judicial restructuring, the SJC could consider reducing the number of approved judge positions to the number of currently filled positions. The ratio of judicial staff to inhabitants in Bulgaria is 2.7, which is one of the highest in Eastern European countries. The SJC could consider reducing this ratio at the national level (thereby contributing to cost-savings) and uniformly distributing the revised national ratio across courts (thereby improving efficiency).

There are presently 13 district courts where the caseload per judge is less than 10 cases per month and 6 regional courts where the caseload is 20 or fewer cases per judge per month, both of which, are well below the average for each type of case. It is likely that the number of judges in these courts can be

¹ Throughout this paper the term “judicial budget” will be used to refer to the budget of the Bulgarian judicial system.

reduced with some judges freed to be redeployed to other courts where there are higher caseloads. Similarly, there are 147 judges working in 6 appellate courts, which have an average caseload of only 8 cases per month. The SJC could consider consolidating the 6 appellate courts into 2 or 3 appellate courts and redeploy surplus judges elsewhere. In 4 military courts, there are 19 judges working with an average caseload of only 2 cases per judge per month. The SJC could consider consolidating 4 military courts into a single military court to handle the existing caseload and redeploy the surplus judges. Among the investigation magistrates, the average annual caseload at the National Investigative Service was estimated to be 12 cases in 2013, of which only 6 cases were completed and just 0.6 cases led to court indictments. The Supreme Judicial Council should carefully examine the potential workload for these magistrates and decide how many are required to do the job at hand. The surplus judges could be redeployed elsewhere.

It is possible that the SJC may not be able to identify suitable places for the redeployment of the all the judges identified in a court restructuring plan. However, under Bulgarian law, judges cannot be removed from service except by way of attrition. Hence, the government may want to consider the option of allowing these judges to retire or be deployed elsewhere in the government as an alternative exit route to changing the law. Retirement or deployment out of the judiciary would be expected to reduce annual recurrent expenditure on salaries, other remuneration and related office expenses in the budget. Given the overall costs, it is recommended that a proportion of any savings from restructuring of the sector be used to finance increases in salaries and higher capital expenditure.

At present, there are about 114 judges seconded to other courts through agreements between court presidents. There may be an appearance of favoritism when some judges are seconded to higher courts with associated increases in wages. To address this issue, the SJC should consider terminating the secondment program as it is currently administered (by agreement between court presidents) and assume direct responsibility for deciding the placement of seconded judges based on an assessment of the most efficient and effective handling of the court caseloads.

The judiciary has raised concerns that any economies realized in a judicial restructuring program, through reduced costs or increased income, could result in the reduction of the government's subsidy to the judicial budget leaving overall expenditures at their present insufficient level. The latest State Budget Act has, for the first time, provided that if the judiciary fails to reach the budgeted levels of its own income, the state budget subsidy would not be raised to compensate any shortfall. (However, this provision was recently overturned by the Constitutional Court.) The SJC would like greater predictability in the resources they receive from the government budget so that they can undertake necessary reorganization and restructuring of the courts and judiciary with confidence that they will have access to necessary resources.

In light of the opportunities for restructuring the judicial system identified in this paper, it is recommended that the SJC, MOJ and MOF reach an agreement on a medium term funding strategy for the judiciary. Such an agreement could be based on a judicial restructuring plan that leads to a more efficient court system with a more equitable distribution of workload (by redeploying judges, consolidating courts, and shrinking judicial and staff positions as necessary) that can be fully funded (both current and capital expenditures) without resort to annual debates and uncertainty over supplemental budget requests.

Apart from the appropriate funding level for the judiciary, there is an issue of over centralized decision making at the SJC level. Under existing law, courts must receive prior authorization from the SJC for every expenditure that they make from the budget. Court presidents cannot retain any funds or take any expenditure decisions on their own. The SJC could consider proposing legal changes that will allow it

to decentralize some of its authority by allowing court presidents to retain some percentage of the fees that their courts collect. The SJC could frame specific rules defining the object and method by which court presidents could use those funds and hold court presidents accountable for the use of these retained funds and for prior agreed results.

Summary of Recommendations

1. **Revision of court tariffs:** A revision of tariff is overdue and it is recommended that the SJC's proposed revised tariffs be evaluated based on its economic impact and its effects on access to the courts.
2. **Reducing the number of approved judges:** SJC could consider reducing the number of approved judge positions to the currently filled positions as an initial step in a broader judicial restructuring.
3. **Reducing number of support staff:** The ratio of staff to inhabitants 2.7, which is one of the highest among European countries. The SJC could consider reducing this ratio at the national level and uniformly distributing the revised national ratio across courts.
4. **Redeployment of judges in District and Regional Courts:** Bulgaria could reduce the number of judges from 13 district courts with caseload less than 10 cases per judge per month and from 6 regional courts with caseloads of 20 or fewer cases per judge per month. These judges could be redeployed in courts with high caseloads.
5. **Consolidation of Appellate Courts:** The SJC could consider consolidating 6 appellate courts into 2 or 3 appellate courts and redeploy the surplus judges elsewhere.
6. **Consolidation of Military Courts:** The SJC could consider consolidating 4 military courts into a single military court to handle the existing caseload.
7. **Reducing the number of Investigation Magistrates:** The number of investigation magistrates working at the National Investigation Service (NIS) could be reduced from the present number of approximately 80 based on the current workload.
8. **Consider options for judges who are not redeployed:** The government may consider offering a program to allow those judges who cannot be redeployed elsewhere in the judicial system, following the implementation of a judicial restructuring program, to retire from the bench or deploy elsewhere in the government.
9. **Re-appropriation of savings:** It is recommended that a portion of nay savings generated by a judicial restructuring plan be used for financing salary increases and higher capital expenditures.
10. **Medium-term funding strategy:** It is recommended that SJC, MOJ and MOF reach an agreement on a medium term funding strategy for the judiciary based upon a judicial restructuring plan, tied to the achievement of goals under the Judicial Reform Strategy that can be fully funded without resort to supplementary budgets.
11. **Decentralization of expenditure:** The SJC could consider decentralizing its budget authority by allowing court presidents to retain some percentage of the fees that their courts collect [for the maintenance and development of their respective courts](#), and frame accountability rules defining the object and method by which court presidents could use those funds.
12. **Reorganization of secondment program of judges:** The SJC could consider terminating the secondment program as it is currently administered by court presidents and assume responsibility itself for deciding the placement of judges in order to improve the efficiency of the court systems.

Preface

The World Bank published a Public Expenditure and Institutional Review (PEIR) of the Bulgarian justice sector entitled *“Resourcing the Judiciary for Performance and Accountability: A Judicial Public Expenditure and Institutional Review”* in 2008. The paper included a review of selected judicial budget, human resources, incentives and infrastructure issues; suggested a process to strengthen management of judicial resources; and, proposed benchmarks to track progress on performance and efficiency. The paper analyzed the spending of the justice sector over time, including the total spending level and its distribution by individual courts and main spending categories and analyzed the various spending drivers, including staffing numbers and salary increases. The review also compared spending with indicators such as average caseloads and rates of case dispositions to get an idea of the development in productivity. Finally, the review looked at a number of institutional factors underpinning the budget process.

The objective of the present *Judicial Performance, Caseload and Expenditure Review* is to update the Bank’s 2008 Report and conduct an assessment of the spending and institutional changes in Bulgaria’s judiciary from 2008 onwards. A World Bank mission² travelled to Sofia in June 2015. The mission team reviewed the procedures and process for developing and allocating the judicial budget, reviewed the institutional framework for developing and implementing this budget, and analyzed the data on judicial expenditures; courts’ own revenues; and, performance of the Bulgarian courts. This report and our recommendations are focused exclusively on Bulgaria’s judiciary and do not address the issue of the budget or caseload of the prosecutors.

The team met with senior officials in the key stakeholder government agencies, which included, inter alia: Ms. Nadejda Yordanova, Head of Cabinet, and Mr. Petko Petkov, Deputy Minister, in the Ministry of Justice; Mr. Kiril Ananiev, Deputy Minister and Mr. Dobrin Pindjurov, Director Budget in the Ministry of Finance; Mr. Kalin Kalpakchiev, Ms. Elka Atanasova, Mr. Mihail Kozharev and Kamen Ivanov, Members of Supreme Judicial Council; Ms. Christina Todorova, Director of International Relations in Supreme Judicial Council; Ms. Gorista Grancharova-Kozhareva, Vice-President of the National Audit Office; Ms. Anelia Shtereva, Deputy Chief of Regional Court in Sofia; Head of Accounts in the Regional Court in Sofia; Mr. Vesselin Hadjiev, Chief of Court in the Plovdiv District Court; and, Mr. Kalin Monov, Chief Accountant, Plovdiv district Court. The mission team collected publicly available data from these institutions and gathered insights into the functioning of judiciary from the key stakeholders.

The current report examines the principal trends in resourcing Bulgaria’s judiciary since 2008, while comparing the expenditure and performance with those of other European countries. The report makes recommendations for improving the resourcing of Bulgaria’s judiciary in light of the recently updated Judicial Sector Reforms Strategy in Bulgaria. The report provides a set of conclusion and recommendations for improving the efficiency and effectiveness of Bulgaria’s judiciary and the judicial budget process. More comprehensive research on the conclusions and recommendations identified in this report and more rigorous exploration of reform paths may be necessary once planned amendments to Bulgaria’s Constitution and Judicial System Act become reality.

² The mission team was led by Mr. Arun Arya (Senior Public Sector Specialist), and included Mr. Joseph Bobek (Consultant), Ms. Svetozara Petkova (Consultant), and Ms. Adela Delcheva (Team Assistant). Ms. Stella Ilieva (Senior Economist) joined the team in Sofia and Mr. David Bernstein, Task Team Leader (Lead Public Sector Specialist) and Mr. Jonas Fallov (Senior Public Sector Specialist) provided support from Washington, DC and Denmark, respectively.

I. Legal Framework for Administration of Justice

1. Bulgaria's Constitution and Judicial Systems Act constitute the core legal framework for the administration of justice. The Constitution provides that the judiciary shall protect the rights and legitimate interests of all citizens, legal entities and the State; it shall be independent in the manner and performance of its functions; all judges, jurors, prosecutors and investigating magistrates shall be subservient only to the law; and it shall have an independent budget. The administration of justice in Bulgaria is based on three instances. The courts are state bodies that administer justice in civil, criminal and administrative cases. The organization and activities of the Bulgarian courts are governed by the Judicial System Act, which lays down the structure and operating principles of the judicial bodies and governs their interaction with each other and with the legislative and executive bodies. The territorial jurisdictions of the regional, district, administrative, military and appeal courts coincide with the administrative division of the country. The organization of courts in Bulgaria is presented in Box 1 below.

Box 1: Organization of Courts in Bulgaria

Regional courts – The regional courts are the main courts for examining cases in the first instance. Their decisions are subject to appeal before the relevant district court. There are 113 regional courts of which 27 are in the district centers.

District courts – The district courts act as courts of first and second instance. As courts of first instance, they examine a precisely defined category of cases involving significant sums or substantial societal interest. When acting as a second (appellate) instance, they re-examine decisions taken by the regional courts. There are 28 district courts, including Sofia City Court.

Administrative courts - The administrative courts have jurisdiction over all actions seeking the issue, amendment, repeal or annulment of administrative acts. They act as second (appellate) instance to the regional courts in some categories of administrative cases. There are 28 Administrative courts.

Appellate Courts – These courts consider appeals and objections against first-instance rulings by district courts within their territorial jurisdictions. There are 5 Appellate courts.

The Supreme Court of Cassation – The Supreme Court of Cassation is the supreme judicial instance in criminal and civil cases. Its jurisdiction covers the entire territory of the Republic of Bulgaria. It exercises supreme judicial review over the proper and uniform application of laws by all courts. It has its seat in Sofia.

The Supreme Administrative Court - This court exercises supreme judicial review over the proper and uniform application of laws by administrative courts. It deals with complaints and objections against acts by the Council of Ministers, Prime Minister, Deputy Prime Minister, ministers, heads of other institutions directly subordinate to the Council of Ministers, acts of the Supreme Judicial Council, acts of the Bulgarian National Bank, acts of district governors and other acts established by statute.

SPECIALIZED COURTS

Military courts - examine, as courts of first instance, criminal cases concerning offences allegedly committed in the performance of their duties, or in connection therewith, by generals, officers, non-commissioned officers and rank-and-file in the Bulgarian army, civilian staff at the Ministry of Defence and personnel at other ministries and agencies within the structures reporting to the Minister of Defence, at the National Security Agency and at the National Intelligence Service. There are 3 Military Courts.

Military Court of Appeal - examines appeals and objections lodged against decisions handed down by military courts nationwide. There is only 1 Military Court of Appeal.

The Specialized Criminal Court - which has its seat in Sofia, is equivalent to a district court. Its jurisdiction is laid down by law and it deals mostly with organized crime cases.

The Specialized Criminal Court of Appeal - considers appeals and objections lodged against decisions handed down by the Specialized Criminal Court.

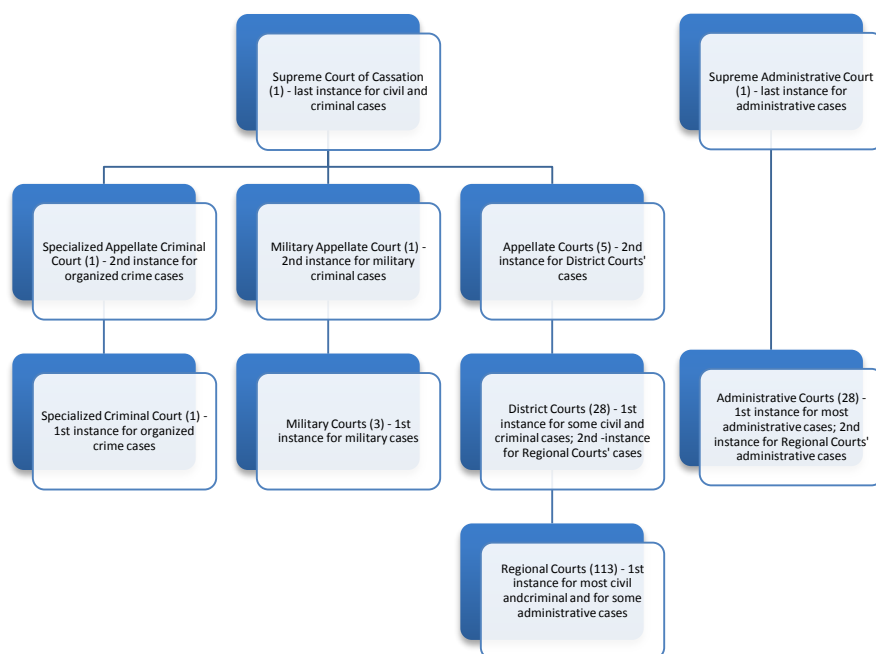
Arbitration Court at the Bulgarian Chamber of Commerce and Industry - The Arbitration Court settles civil disputes and disputes over filling gaps in contracts or adapting contracts to new circumstances, regardless of whether one or both parties have their registered office or domicile in the Republic of Bulgaria.

2. All judicial power is exercised in the name of the people and justice shall be administered by the Supreme Court of Cassation, the Supreme Administrative Court, courts of appeal, regional courts, courts-martial and district courts. Specialized courts can be set up by virtue of law. The Supreme Court of Cassation exercises supreme judicial oversight as to the precise and equal application of the law by all courts. The Supreme Administrative Court exercises supreme judicial oversight as to the precise and equal application of the law in administrative justice.

3. The governance of the judiciary is entrusted to the Supreme Judicial Council (SJC), which is responsible for recruitment, promotion, reassignment and discipline (including dismissal) of the judicial branch officials including judges, prosecutors and investigating magistrates. It also has the responsibility of preparing and executing the budget for the judiciary. Under the Judicial System Act, published in State Gazette No 64/2007, the SJC is the highest administrative authority and is responsible for managing the judiciary and ensuring its independence. It determines the composition and organization of the judiciary and manages its affairs without interfering with the independence of the bodies concerned. It determines the number of judicial districts and the seats of the regional, district, administrative and appeal courts on the basis of a proposal by the Minister of Justice and – as regards military courts – in coordination with the Minister of Defense.

4. The hierarchy of Bulgarian courts is presented in Figure 1 below.

Figure 1: Bulgarian Court Hierarchy



5. The structure of the prosecution office corresponds to that of the courts and the Prosecutor General oversees the legality and provides methodological guidance to all other prosecutors. The prosecution office has to ensure that legality is observed by leading and supervising investigations. It may also conduct investigations.

6. The Chairman of the Supreme Court of Cassation, the Chairman of the Supreme Administrative Court and the Prosecutor General are appointed and removed by the President of the Republic upon a proposal from the SJC for a period of seven years. The Judicial Systems Act sets forth the structure and operational principles of judicial system bodies, the interaction among them, as well as that among judicial system bodies and the legislature and executive ones.

7. Amendments to the Constitution of the Republic of Bulgaria were approved at first reading on September 23, 2015. The Constitutional amendment provides for a division of the Supreme Judicial Council into two Chambers - a judicial chamber and a prosecutors' chamber - each responsible for the administration of the respective professions.

8. Draft amendments to the JSA, prepared but not submitted to the National Assembly, contain the following provisions: division of the SJC into two Chambers - judicial and prosecutorial; direct election of SJC members by General Assemblies of judges and of prosecutors and investigators; increase in the self-governance of courts through increasing the functions of the general assemblies of judges; changes to the disciplinary proceedings in order to guarantee impartiality and independence; improvements to the attestation of magistrates in order to ensure just and transparent career growth; providing a procedure for SJC approval in order to indict a magistrate; development of the professional qualification of magistrates; clear and predictable rules on secondment of magistrates - decisions should be made by the general assemblies of courts and not - as the practice currently stands - by court chairs; increasing the independence of individual prosecutors; improving the work of SJC's Inspectorate; and introducing E-

justice. This package of amendments would allow Bulgaria to meet the goals of its Updated Justice Sector Reform Strategy, discussed below, and responds to European Commission assessments and recommendations for strengthening Bulgaria's justice system, particularly by separating the administration of judges and prosecutors within the SJC.

II. Justice Sector Reform Strategy

9. The Council of Ministers adopted an Updated Strategy to continue judicial sector reforms by a resolution dated December 17, 2014, which was subsequently approved by the National Assembly on January 21, 2015. The overall objective of this Strategy is to build on the efforts to modernize the judiciary and to complete its reform within the next seven years. In doing so, Bulgaria will rely upon the resources and opportunities arising from its membership of the European Union and the Council of Europe, as well as upon the maturing of civil society and the professional community. The Strategy aims to: achieve effective independence of the courts and the judiciary; ensure good governance of the judicial authorities and their highly effective functioning; unfold the potential of human resources in the judiciary and guarantee the high motivation, competence and social responsibility of judges, prosecutors and investigating magistrates; implement a modern and effective criminal policy through the necessary institutional and regulatory reforms; ensure a full-fledged right to a fair trial for each citizen and effective protection of human rights. Once fully implemented, the Updated Strategy will ensure European standards of justice to natural and legal persons and turn the judiciary into an effective guarantor of the Rule of Law and the strengthening of State governance and institutions in the country.

Box 2: Updated Strategy of Judicial Sector Reforms (December 2014)

Strategic goal 1:	Guaranteeing the independence of the court and the other judicial authorities through effective measures against corruption, political and economic pressure and other dependences
<i>Specific goal 1:</i>	Overcoming the institutional reasons for undue influence on and through the Supreme Judicial Council
<i>Specific goal 2:</i>	Judges' self-governance as an effective means to limit the possibilities for administrative forms of influence on the independence of the court and increasing the responsibility and efficiency of courts' administration
<i>Specific goal 3:</i>	Systematic policy for prevention of corruption in the judiciary
<i>Specific goal 4:</i>	Strengthening the ethics regulations
Strategic goal 2:	The judiciary's human resources: an essential asset and focus of the reform; status of judges, prosecutors and investigating magistrates
<i>Specific goal 1:</i>	Reform of law education and internships as a guarantee of high qualification upon entry and motivation of human resources of the judiciary
<i>Specific goal 2:</i>	Guaranteeing trust in competitions for magistrates' appointment and promotion

<i>Specific goal 3:</i>	Sustained improvement of the quality of operation of the National Institute of Justice (NIJ) and affirming its achievements
<i>Specific goal 4:</i>	Effective appraisals based on a uniform integral standard assessing in depth all aspects of the work of a judge, prosecutor and investigating magistrate
<i>Specific goal 5:</i>	Introducing the fair trial principles in the disciplinary proceedings against magistrates
<i>Specific goal 6:</i>	Predictable remuneration fixing rules
<i>Specific goal 7:</i>	Reckoning with the opinions of judges, prosecutors and investigating magistrates in the process of administrating the judiciary
Strategic Goal 3:	Effective administration of the judiciary
<i>Specific goal 1:</i>	Knowledge-based governance: capacity for research related to the governance and performance of the judicial authorities
<i>Specific goal 2:</i>	Regulating magistrates' and judicial entities' caseload
<i>Specific goal 3:</i>	The judiciary budget: a tool of effective governance, accountability and reform <ul style="list-style-type: none"> Introducing programme budgeting for each entity of the judiciary institutions and orienting the budget to achieving results and pegging financing to the targets, activities and caseload set and an objective assessment of expenditures disaggregated by type of case file and case so as to achieve adequate financing of the administration of justice as an essential function of the State. Defining and periodically renewing the objectives and fulfilment indicators in partnership between the SJC, the Ministry of Justice, the Ministry of Finance and civil society, as well as periodic renewing the assessment of expenditures disaggregated by type of case. Introducing effective measures to decentralise budget planning and implementation, bound to requirements of increased transparency, publicity and reporting of the results and attainment of targets and planning the expenditures and activities of each judicial entity in line with locally planned priorities. Quarterly and annual reporting of the attainment of the targets and the achievement of results, periodic external assessment ("Report on the State of the Judiciary").
<i>Specific goal 5:</i>	e-Justice
<i>Specific goal 6:</i>	Development of the separate judiciary institutions
Strategic goal 4:	Modern and effective penal policy
<i>Specific goal 1:</i>	Updating penal policy
<i>Specific goal 2:</i>	Reform and development of the investigating authorities
<i>Specific goal 3:</i>	An effective prosecution service
<i>Specific goal 4:</i>	Effectiveness of the specialised prosecution office and court
<i>Specific goal 5:</i>	Expert examinations

<i>Specific goal 6:</i>	Penitentiary reform
<i>Strategic goal 5:</i>	Guarantees of the rule of law, protection of human rights, access to justice and humanity of justice
<i>Specific goal 1:</i>	Effective judicial protection of human rights
<i>Specific goal 2:</i>	Direct petition to the Constitutional Court
<i>Specific goal 3:</i>	Overcoming the reasons for the ECHR judgments against Bulgaria and respect for international human rights standards
<i>Specific goal 4:</i>	Development of the legal aid system
<i>Specific goal 5:</i>	Court fees <ul style="list-style-type: none"> Assessing the court fees system and analysing possible changes in it
<i>Specific goal 6:</i>	Restorative justice
<i>Specific goal 7:</i>	Juvenile justice system targeting prevention, ensuring effective protection and humane remedial measures
<i>Strategic goal 6:</i>	Building trust in the judiciary through public participation and transparency
<i>Specific goal 1:</i>	Strengthening the social responsibility of the SJC parliamentary quota
<i>Specific goal 2:</i>	Ensuring tangible public participation in the administration of justice through the institute of lay judges
<i>Specific goal 3:</i>	Turning the budget procedure into a tool of transparency and public control <ul style="list-style-type: none"> Introducing programme and results-oriented budgeting for each judicial entity. Public discussions involving specialised and professional non-governmental organisations of the draft judiciary budget and the budget implementation report. Parliamentary debate at separate sittings of the judiciary budget and its implementation report.
<i>Specific goal 4:</i>	Strengthening the transparency of the judiciary and dialogue with citizens

III. Performance of Judiciary in Terms of Case Disposition

10. Data on the performance of the Judiciary over the past 7 years is presented in ANNEX 1: Case Disposal and Workload between 2008-2014, which gives the number of pending cases at the beginning of the year, number of incoming cases, number of resolved cases, number of resolved cases within 3 months and number of pending cases at the end of that year for each court. It also presents the estimation of caseload per judge per month, on the basis of the number of cases heard and resolved; and on the basis of the number of approved judge positions and the actual number of working judges. Table 1 presents the performance of the judiciary in terms of case-disposition for 2014.

Table 1: Performance of Judiciary: Case Disposition in 2014

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Resolved cases			Pending at the end of the period
				Total	Within 3 months ³		
					Number	%	
Appellate courts	2,374	12,497	14,871	12,547	11,153	89%	2,324
Military courts	48	498	546	517	480	93%	29
District courts + Sofia City Court	26,510	88,720	115,230	89,473	68,300	76%	25,757
RC in district centers +Sofia Regional Court	62,932	280,788	343,720	288,648	246,197	85%	55,072
Regional courts	16,159	109,802	125,961	111,992	100,244	90%	13,969
Administrative courts	12,614	42,355	54,969	43,285	31,293	72%	11,684
Total cases	120.637	534.660	655.297	546.462	457.667	84%	108.835

(Source: Summarized Statistical Tables on the Activity of Courts in 2014).

11. Table 1 demonstrates good performance in terms of “clearance rate percentage”⁴ and “calculated disposition time”⁵, both of which are internationally recognized indicators of courts’ efficiency. A Clearance Rate close to 100 % indicates the ability of the court or of a judicial system to resolve more or less as many cases as the number of incoming cases within the given time period. A Clearance Rate above 100 % indicates the ability of the system to resolve more cases than received, thus reducing any potential backlog. Conversely, a Clearance Rate below 100 % indicates that the number of incoming cases is higher than the number of resolved cases, thus increasing any potential backlog of cases.

12. The Disposition Time indicator provides further insight into how a judicial system manages its flow of cases. Generally, a case turnover ratio and Disposition Time compares the number of resolved cases

³ The assessment team was unable to clarify whether the three-month period referred to in the official court statistics is uniformly measured across courts from the date of filing of the case or from the date of the last court hearing. However, these are official statistics published in government websites.

⁴ Clearance Rate (%)=(Resolved cases in a period/Incoming cases in a period) ×100

⁵ Calculated Disposition Time=(Number of unresolved cases at the end of a period/Number of resolved cases in a period) ×365

during the observed period and the number of unresolved cases at the end of the observed period. The ratios measure how quickly a judicial system (or a court) turns over the received cases – that is, how long it takes for a type of case to be resolved.

13. The Clearance Rate and Disposition Time in Bulgarian courts in the last 7 years has been as follows:

Table 2: Clearance Rate and Disposition Time of Bulgarian Courts between 2008 and 2014

Year	Number of cases pending at the beginning of the year	Number of Incoming Cases	Number of Resolved Cases	Number of Unresolved Cases at the end of the year	Clearance Rate (CR) (in %)	Estimated Disposition Time (DT) (in number of days)
2008	110,776	446,749	456,375	108,598	102.2	86.9
2009	99,503	524,351	526,932	106,046	100.5	73.5
2010	106,037	620,326	613,672	112,691	98.9	67.0
2011	112,871	650,015	643,780	119,106	99.0	67.5
2012	119,758	624,232	620,170	123,820	99.4	72.9
2013	123,997	580,249	583,825	120,421	100.6	75.3
2014	120,637	534,660	546,462	108,835	102.2	72.7

(Source: Summarized Statistical Tables on the Activity of Courts in 2014)

14. The Clearance Rate for all cases in all Bulgarian courts has been close to 100 % in all of the past 7 years and the Disposition Time has been less than or just above 75 days for all the years except 2008. In 2014, the Clearance Rate was 102% and the estimated Disposition Time was 72.69 days, both of which will be considered very good performance in comparison to other European countries.

15. In comparison with other member states of the Council of Europe (CoE),⁶ Bulgaria comes out quite well when looking at the parameters of Clearance Rate and Disposition Time based on the latest publication of judicial statistics from CEPEJ⁷ (using 2012 data):

⁶ The **Council of Europe (CoE)**; French: *Conseil de l'Europe*), founded in 1949, is a regional intergovernmental organization which promotes human rights, democracy and the rule of law in its 47 member states, covering 820 million citizens. The organization is separate from the 28-nation European Union.

⁷ CEPEJ - Report on "European judicial systems – Edition 2014 (2012 data): efficiency and quality of justice"

Table 3: Comparison of Clearance Rate and Disposition Time among CoE States in 2012
(Non-Criminal Cases)

	Clearance Rate (%)			Disposition Time (no. of days)		
	Total of other than criminal cases	Admin. law cases	Other cases	Total of other than criminal cases	Admin. law cases	Other cases
Bulgaria	98.9	92.1	99.4	74	150	69
Average for CoE states	100.4	99.2	105.4	253	356	184
Median amongst member states of Council of Europe (CoE)	100.2	100.7	100.2	149	245	93
Minimum amongst CoE states	65.4 (Greece)	40.2 (Malta)	67 (Armenia)	17 (Denmark)	11 (Russian Federation)	0 ⁸ (Georgia)
Maximum amongst CoE states	115.7 (Turkey)	143.2 (Greece)	150 (Montenegro)	860 (Portugal)	1520 (Greece)	989 (Armenia)

Source: CEPEJ 2014 publication (2012 data).

16. Table 3 shows that with respect to non-criminal cases, Bulgaria's Clearance Rate was fairly close to the average of CoE states. However, in terms of Disposition Time, Bulgaria was much better than the average and median for the EU states.

17. Similar results are found when looking at Bulgaria's Clearance Rate and Disposition Time statistics in the criminal cases.

⁸ Georgia had 0 cases at the start of the year, and had 18,437 incoming cases in 2012. It resolved 18,425 cases, leaving only 12 pending cases at the end of the year. This makes disposition time very close to zero days as per the definition of the term.

Table 4: Comparison of Clearance Rate and Disposition Time among CoE States in 2012
(Criminal Cases)

	Clearance Rate (%)	Disposition Time (days)
Bulgaria	98.8	62
Average for CoE states	100.5	146
Median amongst CoE states	100.5	120
Minimum amongst CoE states	90.6 (Moldova)	43 (Estonia)
Maximum amongst CoE states	120.7 (Slovenia)	490 (Malta)

Source: CEPEJ 2014 publication (2012 data)

18. Table 4 shows that in respect of criminal cases, Bulgaria's Clearance Rate was very close to the average for CoE states. In respect of the Disposition Time, it was much better than the average and median for CoE states.

19. Thus, on the whole, taking all kinds of cases into consideration – whether criminal or non-criminal - Bulgaria's performance in terms of efficiency of courts is on par with CoE states in respect of clearance rate and much better in respect of disposition time.

IV. Judicial Caseload in Bulgaria

20. Table 5 presents the number of judges and caseload in each category of courts in Bulgaria.

Table 5: Number of Judges and Caseloads per Type of Court in 2014

COURTS	Number of Courts	Number of approved positions of judges	Actual number of judges working	Number of approved position of judges per court	Actual number of Judges working per court	Workload according to approved position of judges (cases per judge per month)		Workload according to actual number of working judges (cases per judge per month)	
						As per number of cases put up for hearing	As per number of resolved cases	As per number of cases put up for hearing	As per number of resolved cases
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1. Appellate courts	6	162	147	27	25	7.7	6.5	8.5	7.1
2. Military courts	4	25	19	6	5	1.8	1.7	2.4	2.3
3. District courts + Sofia City Court	29	777	620	27	21	12.4	9.6	15.5	12.0
4. Regional Courts in district centers + Sofia Regional Court	27	631	484	23	18	45.4	38.1	59.2	49.7
5. Regional courts	86	361	315	4	4	29.0	25.9	33.4	29.7
6. Administrative courts	28	269	226	10	8	17.0	13.4	20.3	16.0
TOTAL /AVERAGE	180	2,225	1,811⁹	12	10	30.2	25.2	30.2	25.2

(Source: Summarized Statistical Tables on the Activity of Courts in 2014).

21. Table 5 shows that there are 180 courts broken into 6 different levels or categories with 2,225 approved judge positions, against which 1,811 judges are actually working. The average number of approved judge positions per court is 12 and actual average number of judges working per court is 10. The maximum number of judges working per court is 25 in Appellate Courts, which is followed by 21 in District Courts, and 18 in Regional Courts in District Centers. The lowest number of judges working per court is 4 found in the Regional Courts located outside of district centers.

⁹ The actual number of total working judges increased to 2,030 by the end of year, i.e. December 31, 2014.

22. Whether this wide difference is justified or not will have to be examined from the perspective of average caseload per working judge. The workload of a judge is based on the number and types of cases s/he hears. The number of resolved cases per judge is a parameter of his/her efficiency. Column (9) shows the caseload based on number of cases heard per working judge. According to the above information, the overall caseload per working judge is 30.2 cases per month. However this varies from the lowest 2.4 cases per month in Military Courts to 59.2 cases per month in the Regional Courts in District Centers, including the Sofia Regional Court, the largest court in Bulgaria. Apart from the Military Courts, the caseload appears to be relatively low in Appellate Courts (8.5 cases per judge per month) and District Courts (15.5 per judge per month). Bulgaria's overall average caseload compares well with the average caseload per judge per month in the neighboring countries such as Romania (39.3), France (38.1), Greece (23.0), Serbia (30.2), and Ukraine (27.3).

23. From the above analysis, the following conclusions emerge:

- 1) **Appellate Courts:** There are 147 judges working in 6 Appellate Courts. On average, there are 25 judges per court and they are hearing only 8.4 cases and resolving 7.1 cases per month. It is not clear how such a large number of Appellate Court judges can be justified in view of the number of cases being heard and resolved per judge. One explanation for the high number of judges in Appellate Courts is that lower-level judges may need to be promoted after some years of service and therefore, they move up to higher courts such as the Appellate Courts. However, the caseload in Appellate Courts does not appear to justify the present number of judges or the growth in these judges through promotions based on seniority alone.
- 2) **Military Courts:** There are 19 judges working in 4 Military Courts. The caseload per judge is only 2.4 cases per month. This does not justify the number of judges in the 4 courts. It seems likely that 1 Military Court with 2 judges could manage the existing caseload¹⁰.
- 3) **District Courts:** There are 623 judges working in 29 District Courts with an average of 21 judges per court. Their caseload is only 15.5 cases per month. This is low compared to the national average and even if half of these judges were redeployed to other courts, the caseload would not exceed the national average of 30 cases per month per judge. Considering District Courts have been established as per the administrative jurisdictions of the respective districts, it is likely more difficult to reduce their number. However, there is potential for redeploying at least 300 judges working in these courts to courts with higher caseloads. With regard to district courts, Sofia City Court deserves special attention. Even though it has 152 approved judicial positions (including judges and junior judges), only 119 judges were actually working at the court as of December 31, 2014. The caseload of these judges in 2014 was 46.6 cases per months, which is three times higher than the national average for district courts. It would be advisable to redeploy judges from other district courts to Sofia City Court to fill the available

¹⁰ The MOJ informed the Bank team that it believes that Bulgaria does not need a separate military court system because this is a remnant from a time when the country had a huge professional army. MOJ believes that general courts could easily handle crimes committed by military personnel.

approved positions, in order to reduce caseload to levels commensurate with other courts of the same category.

- 4) **Regional Courts in District Centers (including Sofia Regional Court):** There are 484 judges working in 27 Regional Courts located in District Centers with an average of 18 judges per court. However, these courts have the highest caseload of 59.2 cases per judge per month. If a number of judges working in District Courts were redeployed to these Regional Courts, the average caseload per judge could be reduced to a more manageable level. This redeployment would not necessarily lead to a dislocation of judges as District Court judges could continue to work in the same district. Again, the biggest court in this category, Sofia Regional Court, is an outlier. Of the 171 approved positions for magistrates in Sofia Regional Court, 13 positions have not been filled yet and another 20 magistrates have been seconded to other courts. The actual caseload of judges in this court in 2014 was 124.4 cases per month, which is approximately twice the workload of judges in regional courts in district towns and almost four times the workload of other regional courts. In order to reduce this caseload, the Sofia Regional Court should be fully staffed and judges from this court should not be seconded elsewhere.
- 5) **Regional Courts:** There are 314 judges working in 86 Regional Courts at an average of 4 Judges per court. However, the caseload in these courts is 33.37 cases per judge per month, which is not substantially high. However, there may be scope for redeploying judges to these courts to reduce the caseload further.
- 6) **Administrative Courts:** There are 226 Judges working in 28 Administrative Courts at an average of 8 judges per court and the caseload is 20.26 cases per judge per month. Both the number of judges and their average caseload are moderate in comparison to other types of courts in Bulgaria. These courts do not require intervention in terms of redeployment.

24. It may be noted, however, that all the analysis above is based on the simple number of cases and that we do not have data on the types or complexity of cases that each level of Bulgarian courts may hear. The SJC is currently conducting an exercise to classify each case-group by the "complexity" involved in resolving them. Conclusions regarding the appropriate number of judges and manageable levels of caseload for each type of Bulgarian court could be revised after considering the outcome of the SJC's complexity exercise. A detailed description of the last seven years of judicial workloads by category of court is presented in ANNEX 2: Court-Wise Actual Workload between 2008 and 2014.

25. It will be pertinent to note that among the District Courts, the following ones in particular have sustained low caseloads since 2010:

Table 6: District Courts with consistent low caseloads since 2010

S. No.	Name of District Court	Caseload in number of cases per working judge per month						
		2014	2013	2012	2011	2010	Average for 2010-2014	Average for 2012-2014
1	Shumen	8.3	8.9	9.0	18.1	23.7	13.6	8.7
2	Targovishte	5.2	5.5	5.8	5.3	5.6	5.5	5.5
3	Dobrich	7.9	9.2	9.4	8.9	9.2	8.9	8.9
4	Silistra	7.9	11.5	8.0	8.4	9.3	9.0	9.2
5	Rousse	9.0	9.6	10.6	10.3	10.6	10.0	9.8
6	Razgrad	9.2	9.6	9.7	9.2	10.4	9.6	9.5
7	Pazardjik	9.7	10.2	10.4	10.2	9.9	10.1	10.1
8	Montana	6.1	6.5	6.9	7.2	6.8	6.7	6.5
9	Lovech	8.8	7.9	7.6	7.9	9.0	8.2	8.1
10	Kurdzali	5.6	6.1	7.0	6.7	6.5	6.4	6.2
11	Vratsa	7.9	7.7	8.0	8.6	7.7	8.0	7.9
12	Vidin	8.9	7.5	9.2	9.1	8.9	8.7	8.5
13	Sofia Region	9.4	9.0	9.9	10.8	12.2	10.3	9.4
Average for above 13 courts		7.9	8.4	8.6	9.3	9.9	8.9	8.3
Average for all District Courts		15.5	15.3	16.6	16.1	15.6	15.8	15.8

(Source: Summarized Statistical Tables on the Activity of Courts).

26. Table 6 shows 13 out of total 28 District Courts where the average case load has been consistently low since 2010. These courts have an average caseload of less than 10 cases per working judge per month, and the caseloads have further declined in the last 3 years. The average case load of these 13 courts is about half the average of all District Courts. These courts have, on an average, approximately 21 judges per court. Some of those judges could be redeployed to Regional Courts located in the same district towns or to District Courts with significantly heavier judicial caseloads such as Sofia City or other Regional Courts with high judicial caseload like Sofia City, Varna, Pernik, and Plovdiv. Any redeployment of judges will not be easy and may be complicated by the fact that some Districts Courts likely have judges who are senior to those in the regional courts and therefore less willing to move “down” to a Regional Court. Nevertheless, in the interest of overall efficiency of judicial system, the SJC may need to identify a solution to the existing unbalanced distribution of workload across the District Courts. One possible solution could be to protect the salary and rank of District Court judges while redeploying them to Regional Courts.

27. Amongst the Regional Courts, the following have had a consistent low caseload since 2010.

Table 7: Regional Courts with consistent low caseload between 2010 and 2014

Name of Regional Court	Caseload in number of cases per working Judge per month						
	2014	2013	2012	2011	2010	Average (2012-2014)	Average (2010-2014)
1. Topolovgrad	16	19.2	20.6	21.9	22.9	18.6	20.1
2. Ivaylovgrad	11.4	17.8	15.3	17.6	14.9	14.8	15.4
3. Breznik	23.3	19.8	14.6	15.2	13.4	19.2	17.3
4. Trun	17.0	13.7	26.1	18.7	12.5	18.9	17.6
5. Krumovgrad	16.5	17.8	19.0	23.1	16.2	17.8	18.5
6. Ardino	10.3	13.3	15.4	23.4	17.3	13.00	15.9
Average for 6 courts	15.8	16.9	18.5	19.9	16.2	17.1	17.5
Average for all Regional Courts	33.4	36.5	38.8	43.5	40.3	36.2	38.5

(Source: Summarized Statistical Tables on the Activity of Courts)

28. Table 7 above shows 6 Regional Courts which have a consistently low caseload of less than 20 cases per judge per month. This amounts to less than one case per day for each judge. This is a low average in comparison to other Regional Courts. The average of these 6 courts is less than half of average of all Regional Courts in the same years. Based on this assessment (which does not account for variations in the complexity of the cases that are heard in each court), the current number of judges working in these 6 courts may not be justified. Surplus judges could be transferred to other courts, or if the number of judges in the concerned courts is low, these courts could be consolidated with other Regional Courts based on geographical proximity.

V. Benchmarking of Number of Judges

29. If we compare Bulgaria with other EU states in terms of number of judges per 100,000 inhabitants, the situation that emerges is as follows:

**Table 8: Comparison of Number of Professional Judges per 100,000
in Bulgaria and other CoE States**

	Number of Professional Judges Per 100,000 Inhabitants				Evolution (2006-2012) in %
	2006	2008	2010	2012	
Bulgaria	23.7	29	29.8	30.7	29.6
Average for CoE States	20.3	20.9	21	21	4.2
Median for CoE States	19	16.5	17.3	21	2.4
Minimum for CoE States (UK-Northern Ireland) ¹¹	21.3	7.0	-	3.8	-81.9
Maximum for CoE States (Monaco)	54.5	112.5	100.3	102.4	87.7

Source: CEPEJ 2014 publication (2012 data)

30. Table 8 shows that the number of professional judges per 100,000 inhabitants in Bulgaria was 23.7 in 2006, which was close to the average of 20.3 for the CoE states. However, after 2006, there has been a consistent increase in the number of professional judges per 100,000 inhabitants in Bulgaria and it reached 30.7 in 2012, whereas the average for CoE states increased minimally and remained at a level of 21 judges per 100,000 inhabitants. The evolution in the number of professional judges per 100,000 inhabitants in Bulgaria between 2006 and 2012 has been 29.6 % which is substantially higher than the average growth of 4.2 % for the COE states.

31. Bulgaria is experiencing a demographic crisis, with negative population growth since the 1990's and an economic stagnation that has promoted significant emigration. Bulgaria's population is now shrinking at an alarming rate, losing 582,000 in ten years, and 1.5 million since 1985. Bulgaria has an estimated population of 7.11 million in 2015, which is down from the official population of 7.36 million at the 2011 census. (There are also significant “pull” factors that also have influenced this recent emigration.) However, the number of professional judges increased from 2,147 to 2,225 between 2011 and 2015. The number of professional judges per 100,000 population in 2015 is 31.3. The evolution between 2006 and 2012 has been 32.1 %. The contrast of a shrinking overall population with the increase of almost 32% in number of judges per 100,000 inhabitants is striking.

¹¹ The changes in number of judges in UK-Northern Ireland appears to be an outlier. Data for UK-Northern Ireland needs to be qualified by the fact that data reported for 2006 and 2008 includes the number of lay judges (243) and seems to be presented in terms of “persons” rather than “full time equivalents” as reported by other COE states.

Table 9: Number of Incoming Cases between 2008 and 2014

COURTS	Number of Incoming Cases						
	2014	2013	2012	2011	2010	2009	2008
Appellate courts	12,497	12,792	13025	12542	11488	10433	10634
Military courts	498	1,230	1501	1407	2001	1724	1934
District courts + Sofia City Court	88,720	92,270	97074	92439	88362	81323	78600
Regional Courts in district centers + Sofia Regional Court	280,788	304,631	332322	351132	340638	285547	229926
Regional courts	109,802	122,770	133396	148318	138327	109284	91595
Administrative courts	42,355	46,556	46914	44177	39510	36040	34060
Total cases	534,660	580,249	624,232	650,015	620,326	524,351	446,749

(Source: Summarized Statistical Tables on the Activity of Courts).

32. Table 9 shows that there was an increase in the number of incoming cases from 2008 to 2010. But there has been a continuous decline in the number of incoming cases since 2011. If these caseload figures are compared to the increase in the number of professional judges per 100,000 inhabitants to 31.3 in 2015 we see that the number of judges in Bulgaria grew despite a reduction in population and a reduction in the number of incoming cases. (Though it should be noted that the absolute number of incoming cases in 2012 and even in 2014 was still greater than in 2008 for all of Bulgaria's courts except the Military Courts.) This analysis can be used to support the case for establishing a freeze on the number of approved judges' positions and redeploying existing working judges based on the distribution of caseload.

33. Digging deeper into the judicial statistics we can assess the evolution in the number of judicial positions from 2008 to 2014 to see in which category of courts it has increased the most:

Table 10: Number of Judicial Positions in Different Courts between 2008 and 2014

COURTS	2008	2009	2010	2011	2012	2013	2014	Evolution of Judges' Positions (2008-2014) in %
Appellate courts	135	140	141	142	158	159	162	20
Military courts	31	30	28	27	27	27	25	-19.3
District courts + Sofia City Court	744	752	759	751	767	768	777	4.4

COURTS	2008	2009	2010	2011	2012	2013	2014	Evolution of Judges' Positions (2008-2014) in %
Regional Courts in district centers + Sofia Regional Court	562	572	577	573	575	618	631	12.3
Regional courts	390	398	394	385	381	373	361	-7.4
Administrative courts	263	270	266	269	268	269	269	2.2
TOTAL	2125	2162	2165	2147	2176	2214	2225	4.7

(Source: Summarized Statistical Tables on the Activity of Courts).

34. Table 10 shows that the maximum proportionate increase in the number of judicial positions has been in the Appellate Courts. This is followed by Regional Courts in District Centers. This is as expected, since, as the judges get promoted, they likely move “up” the court hierarchy and ultimately are posted in Appellate Courts. In Regional Courts in district centers, there is the maximum caseload and it is expected that the number of judges would be increased to match the increasing caseload. The increase in District Courts has been 4.44 %, but in relation to the caseload in these courts, this may be considered high. As suggested earlier, this growth could have been to provide promotional avenues to judges in the Regional Courts. A reduction of 7.44 % in the number of judges in Regional Courts, is, however, not justified because these are first instance courts with caseloads that are greater than the average. A reduction of 19.35 % in Military Courts is to be expected due to reducing caseload.

35. If we compare the number of courts per 100,000 inhabitants in Bulgaria and other COE member states, the situation emerges as follows:

Table 11: Comparative Ratio of Courts to Population by Country

Country	Number of Courts	Number of Courts per 100,000 population
Serbia	343	4.8
Bosnia and Herzegovina	188	4.9
Bulgaria	185	2.5
Hungary	157	1.6

Romania	144	0.7
Croatia	89	2.0
Montenegro	22	3.6
Slovenia	49	2.5
Albania	45	1.4
Netherlands	16	0.1
France	NA	1.0
Germany	1162	1.9
Poland	NA	1.5

Source: Efficiency of Justice (CEPEJ) June 2013).

36. In many European countries, planned or current reforms to the judicial map tend to reduce the number of courts with the aim of cutting budgets or increasing efficiency by grouping courts together or making them more specialized. This applies to Croatia and Serbia in the above list of countries. Similar types of reduction or consolidation of courts could be justified in Bulgaria based on the declining population, downward trend in incoming cases, growth in the number of judges and uneven distribution of caseload among different court levels.

37. The caseload analysis in the sections above was conducted based on the actual number cases filed and resolved in courts as per statistics published by the SJC. However, (as noted above in paragraph 24) these statistics do not distinguish between the complexities of different types of cases. All cases are not equally complex. Some cases raise a number of difficult issues, involve multiple parties or address novel legal issues and therefore require greater effort from a judge to understand and resolve. Other cases, such as the issuance of enforcement orders and writs of execution, can be resolved in minutes. In order to incorporate this additional characteristic in its statistics, the SJC has developed a methodology for measuring the complexity of cases.

38. Under this methodology, administrative cases have been divided into 50 groups and criminal and civil cases have been divided into 100 groups. Judges have been asked to fill out questionnaires specifying how many hours they typically need to devote to a case from each group. Once the information from all these questionnaires is processed, SJC will determine a “Complexity Quotient” for each case group, which will form the basis of the case weighing methodology. A survey of judges across Bulgaria was started in July 2014 and concluded in March 2015. Questionnaires were completed by judges and uploaded electronically to the central server. Processing of survey results is ongoing. The entire set of results is expected by end of August 2015. The questionnaire cards were entered on a retrospective basis, but in the future can be entered on real time basis. Time Control Sheets will have to be entered by judges in the electronic system. The electronic system will enable the monitoring of complexity of cases on a real time basis. The SJC should have the ability to track the “complexity quotient” by court/case type and arrange the cases in ascending or descending order of complexity. This exercise will help in assessing the caseload in different courts more

accurately by more effectively incorporating complexity into the assessment. If adopted by the SJC in 2015, the results will be available for use in preparing budget estimates for the courts starting in 2017.

39. There is a risk that the judges (and possibly the SJC) will identify more time needed to handle a particular type of case than it actually takes them to resolve the case. Thus the SJC's Complexity Quotient could have an upward bias to it. This has been observed in another sector in Bulgaria where an assessment of complexity tended to move in the direction of more rather than less complexity when measured by the participants. At the same time the SJC's efforts could provide a useful benchmark against which court workloads can be measured going forward. Such measurements could help the SJC reallocate caseload among different courts in a more refined manner based on complexity and could be used to develop a more fair evaluation of judges.

VI. Investigation Magistrates

40. Investigation magistrates also form part of the judiciary. More than 1,000 investigation magistrates were appointed during 1999-2005, of which about 500 have either retired or become prosecutors. There are still approximately 500 investigation magistrates, approximately 80 of which work at the National Investigative Service (NIS). Many of them do not have sufficient workload, especially the ones working at NIS. Thus, the average caseload per investigation magistrate at the National Investigative Service in 2013 was estimated to be 11.89 cases, of which 5.79 cases have been completed and just 0.56 have ended with an opinion for bringing an indictment to court¹². Unfortunately current data on investigation magistrates' workload was not publicly available. Anecdotal evidence suggests that workload may have dropped further since 2013. As per Constitutional provisions, these magistrates can exit only through retirement; they cannot be removed from service unless there is a disciplinary ground. Based on available information, the government may consider conducting a detailed examination of the potential and actual workloads for these magistrates in order to make a decision on the optimal number needed to handle the expected caseload.

VII. Secondment Program

41. Court presidents have the authority to temporarily transfer judicial assistance between the courts. The assistance is based on an assessment of the workload in the receiving court. Both the sending and receiving court presidents must agree on the transfer of judicial assistance. The funds to pay for the salaries of the temporary judge are reallocated through the SJC. If the judge is temporarily assigned to a higher level court, the salary of the judge is increased to the level of the higher level judge position. Only salary funds are transferred to the receiving court. No provision is made for the additional travel or other incidental costs. Once the assignment is complete, the seconded judge returns to the resident court and the salary is reduced to the level of the original, lower resident court.

¹² Report on the Application of the Law and the Activity of the Prosecution and the Investigative Bodies in 2013, page 125

Table 12: Number of Judges Seconded by Institution in 2015

Court/Institution	Number of Judges Transferred to Another Court/Institution	Number of Judges on Temporary Assignment
Appellate Court	-3	24
Supreme Court of Cassation	0	3
District Court	-36	21
Sofia Regional Court	-21	7
Other Regional Courts	-37	24
Sofia City Court	-10	25
Administrative Court	-7	8
Military	0	0
National Institute of Justice	0	1
European Commission	0	1
TOTAL	-114	114

42. The case disposition during 2013 and 2014 is represented below to see the impact of secondment.

Table 13: Number of Cases Completed and Pending by Court Type

Court Type	Cases Completed 2013	Pending End of period	Cases Completed 2014	Pending End of period
Appellate	12,752	2,396	12,547	2,324
Military	1,286	48	517	29
District	91,226	25,456	89,473	25,757
Regional Courts in District Towns	306,383	62,777	288,648	55,072
Regional Courts	123,681	16,148	111,992	13,969
Administrative Courts	48,496	12,596	43,285	11,684

43. Based on Tables 12 and 13 it appears that backlogs continued to fall even in those courts that experienced a net loss of judges due to secondments. The one exception were the District Courts which experienced both a net loss in judges and an increase in backlog. While we cannot draw specific conclusions from this data (for example would the backlog in the Regional Courts have fallen more if these courts did not have a net loss in seconded judges?), we can conclude that the secondment program will result in an increased caseload burden for the judges remaining in courts that experience a net loss of seconded judges. For example, the Regional Court in Sofia seconded 21 judges to other courts and received 7 seconded judges, resulting in a net reduction of 14 judges which contributes to the high caseload carried by the judges remaining in the Sofia Regional Court. The length of secondment service has been as follows:

Table 14: Length of Secondment Service

Over 36 Months	Over 24 months	Over 12 Month	Under 12 Months
21	17	24	52

44. The above table indicates that some of the secondments have become de-facto permanent re-assignments. In the category of secondments with a duration of more than 36 months, some judges have been on assignment for more than 60 months and in one case, for more than 80 months. Based on this data, the SJC may consider reviewing the list of seconded judges to determine those that should be placed permanently in vacant positions in the receiving courts.

45. The secondment program can be used by the SJC as a valuable tool to address the workload of judges in overburdened courts. However, the SJC should consider restructuring the secondment program as it is currently administered – through agreement of the sending and receiving Court Presidents – for it to make more effective use of this tool. Under a revised secondment procedure the SJC could assume responsibility for deciding the placement of seconded judges based on a work load analysis conducted by the SJC.

46. The above arrangement would eliminate both the perception of favoritism in the assignment of some judges to higher courts (with an accompanying increase in wages) and the possibility of Court Presidents influencing the decisions of seconded judges who would like to remain in their seconded positions.

VIII. Support Staff in Judiciary

47. The SJC is developing a court reorganization strategy by studying court closure alternatives and the impact those closures would have on access to justice. Following that study, the SJC plans to estimate the number of support staff needed in relation to the workload. The present ratio of support staff to judges is as follows:

Table 15: Ratio of Support Staff to Judges

	2007	2008	2009	2010	2011	2012	2013	2014
Total Working Judges	1734	1757	1780	1798	1779	1785	1775	1861

Total Working Court Clerks	4164	4270	4466	4538	4594	4700	4650	4684
Ratio of Clerks to Judges	2.4	2.4	2.5	2.5	2.6	2.6	2.6	2.5

48. The current ratio of support staff to Magistrates is 2.52. However, this ratio is not uniform across courts. It will be useful to ensure that this ratio is equitably applied within each court. There are several courts that do not have an adequate number of support staff, which can affect the court's efficiency. It may be possible to have a redeployment of support staff from courts with higher ratios to courts with lower ones. It would also be helpful for the SJC to analyze if a ratio of 2.52 clerks to each judge is necessary for the efficient delivery of judicial services. If not, and if the ratio can be reduced to 2 while maintaining the same level of outputs and judicial services, then the number of clerks could be reduced to around 950 which could result in an annual savings of approximately 17.5 million BGN.

Table 16: Comparative Ratio of Staff to Judges

By Country and Population

Country	Population	Ratio of Staff to Judges	Ratio of staff to 100,000 Population
Croatia	4,412,137	3.7	47.8
Greece	11,309,885	3.3	18
Bosnia and Herzegovina	3,843,126	3.2	24.4
Slovenia	2,050,189	3.2	49.9
Hungary	9,986,000	2.7	29
Bulgaria	7,364,570	2.6	29.8
Romania	21,431,298	2.1	19
Netherlands	16,655,799	2.6	2.6
France	65,026,885	3	3
Italy	60,626,442	3.7	3.7
Germany	80,233,100	2.7	66.9
Sweden	9,555,893	4.6	54.1

Source: European Commission for the Efficiency of Justice (CEPEJ) June 2013).

49. As can be seen, the ratio of staff to judges falls into three groups. There are three countries with ratios of 3.7 or more, four countries with ratios between 3 and 3.2 and four countries with ratios of 2.6 or 2.7 and one country with a ratio of 2.1. Bulgaria falls in the middle with a ratio of staff to judges of 2.6.

50. The ratio of staff to inhabitants is the highest in the highly developed EU countries; Germany and Sweden all have over 50 staff per 100,000 inhabitants. Serbia, Montenegro, Croatia and Slovenia (all former Yugoslav republics, not listed) also each have well over 30 staff and judges per 100,000 inhabitants. The rest of the Eastern European countries have ratios of staff and judges to 100,000 inhabitants ranging from a high of 29 in Bulgaria to a low of 11.7 in Albania. The ratio of both staff and judges in all of the Eastern European countries are very similar. The three other EU members, Italy, Netherlands and France, have substantially less staff per 100,000 inhabitants ranging from 2.6 to 3.7

IX. Expenditure Framework for the Judiciary Sector

51. The Public Finance Act, 2014 assigns the responsibility for the budget formulation process and timetable to the Ministry of Finance (MOF). The SJC follows the Budget Instructions issued by the MOF that are applicable to all Primary Budget Holders. The SJC is the Primary Budget Holder for the judiciary. The courts are considered Secondary Budget Holders. The instructions and budget schedules to be completed by the courts are issued by January 31 of each year. The budget call circular requests the Primary Budget Holders to estimate their budget requirements for two years into the future. All budget proposals including from the Judiciary and the Parliament are approved by the Council of Ministers.

52. The SJC sends budget instructions to the courts requiring the courts to prepare their budget proposals using the standard budget classification for all government bodies. The standard classification is by economic object class of expenditures (Salaries, Social Security, Travel, Maintenance, etc.). The courts submit their budget proposals to the SJC as email attachments. The analysts in the SJC's Directorate of the Budget and Finance Sector consolidate all 185 budget proposals by court type and submit the budgets to the Budget and Finance Committee of the SJC for review.

53. There are two sources of funding for the judiciary budget – Own Revenue and State Subsidy. The courts estimate the level of court fees to be collected during the fiscal year based on the expected number of incoming cases and their types. An estimate is also made in regard to the amount to be collected through penalties based on cases under consideration and past trends. The estimated level of fees to be collected during a year is linked to the tariff-rates approved by the Council of Ministers. Once the SJC approves the Judiciary budget including estimated expenditure, Own Revenue, and State Subsidy, it is sent to the Ministry of Justice (MOJ) for presentation to the Council of Ministers.

54. Article 117 of the Constitution of the Republic of Bulgaria makes the following provision in respect of the judiciary:

“(1) The judiciary shall protect the rights and legitimate interests of all citizens, legal entities and the State.

(2) The judiciary shall be independent. In the performance of their functions, all judges, court assessors, prosecutors and investigating magistrates shall be subservient only to the law.

(3) The judiciary shall have an independent budget”.

55. The Judiciary is guaranteed an independent budget to ensure its independence from the executive. The Budget for the judiciary is, therefore, not amended by MOJ or the Council of Ministers. The Council of Ministers consolidates budgets of all ministries, departments and agencies and forwards them to the Parliament for approval. Table 17 below illustrates the significant reduction to the judicial budget request as proposed by the MOF and adopted by the Parliament for inclusion in the State Budget Act.

Table 17: Judicial Budget Request Compared to State Budget Act and Actual Expenditures

(Amount in 1000 BGN)					
	2010	2011	2012	2013	2014
Judiciary Budget Request	540,014	483,429	493,982	507,217	543,552
Judiciary Budget Included in the State Budget Act	387,705	387,705	400,000	404,000	434,000
Actual Judiciary Expenditures	436,227	422,825	420,243	441,539	460,472
Judiciary Budget Request Reduced in State Budget Act	152,309	95,724	93,982	103,217	109,552
Judiciary Budget Request Above Actual Expenditures	103,787	60,604	73,740	65,677	83,080

56. Traditionally the MOF submits an alternate budget for the judiciary to Parliament. The alternate budget is always lower than the budget proposal from the SJC. This is typically due to the fact that the MOF considers broader resource constraints and tries to allocate the budget rationally and equitably based on these broader constraints. Since the parties running the executive branch are also in control of the Parliament, the Parliament usually approves MOF's alternate budget proposal for the judiciary. As a result, the annual State Budget Act has included the MOF's alternative budget rather than the budget proposed by SJC.

57. After the State Budget Act is approved, the SJC distributes an annual allocation of funds to courts by economic classification along with an approved employment ceiling. The court presidents have the authority to reprogram funds among the various classes of expenditures with approval of the SJC.

58. The courts manage their budget within the approved funding level. All court expenditures are transmitted to the SJC electronically for prior approval. Courts cannot incur any expense without prior authorization from the SJC. This practice is uniformly followed across all government agencies where secondary budget holders are required to take prior authorization for all expenditures from the primary budget holders. Courts maintain their own accounting records and submit monthly accounting reports to the SJC. The reports are consolidated by the SJC and are subject to certification by the Bulgarian National Audit Office.

X. Trends in Judiciary Budget and Expenditure

59. The trends in the Budget provision and expenditures in the Judiciary sector are presented below:

**Table 18: Judicial State Budget Act Funding and Institutional Expenditure
(Amount in 1000 BGN)**

	2007	2008	2009	2010	2011	2012	2013	2014	Annual % Growth
Budget Act	313,120	385,300	438,323	387,705	387,705	400,000	404,000	434,000	4.8
Actual Expenditures	335,070	418,610	378,622	436,227	422,825	420,243	441,539	460,472	4.7
Budget Execution Rate (%)	107	109	86	113	109	105	109	106	

60. Table 18 shows that during the period 2007 – 2014, there has been a steady increase in the Budget for judiciary at the rate of 4.8 % per year and an increase expenditures at the rate of 4.7% per year. In comparison, the trends in the Total Budget and Total Expenditures during this period have been as follows:

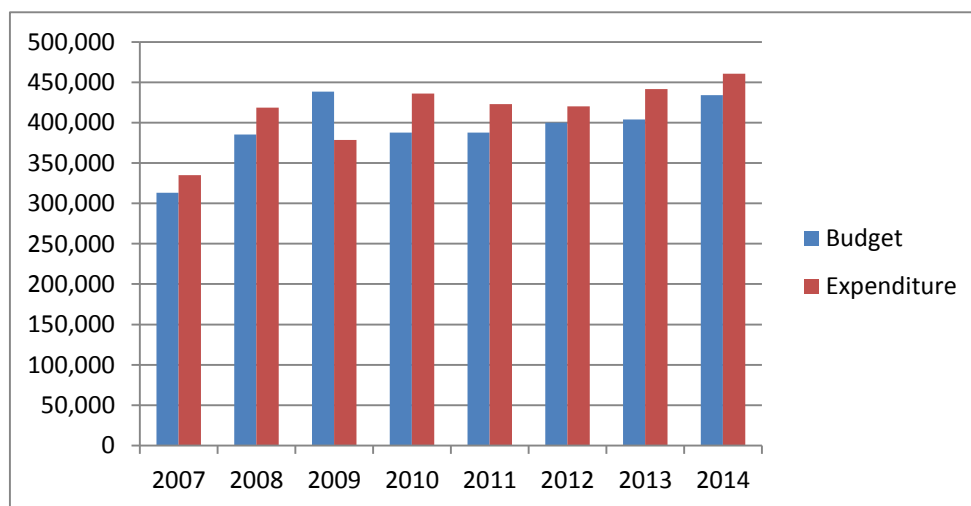
**Table 18b: Total Bulgarian State Budget and Expenditures
(Amount in Million BGN)**

Year	2007	2008	2009	2010	2011	2012	2013	2014
Total Budget (calculated amounts)	22,099	25,371	30,362	27,940	28,172	29,844	31,978	33,087
Total Expenditures	22,103	25,323	25,667	26,755	26,867	27,828	30,418	32,482
Expenditure as % of Budget	100.0	99.8	84.5	95.8	95.4	93.2	95.1	98.2

The total budget of the country has risen by 6.4 % per year and total expenditure of the country has risen by 5.9 % per year. The budget execution rate has been 95 % on an average over this period.

The Budget Execution for the judiciary is presented below:

Figure 1: Budget and Expenditure of the Judiciary (2007-2014)



61. Figure 1 shows that Expenditure has been higher than the originally approved budget in all years except in 2009, when the investigative function was transferred from courts to the police. The average budget execution during this period has been 106%, which was largely covered by the supplementary budgets passed in these years.

62. When we compare Bulgaria's budget allocation to different components of the judicial system – Courts, Public Prosecution and Legal Aid – with the allocation in other COE states the situation emerges as follows:

Table 19: Annual Budget allocations to Judicial Systems: Comparison with CoE states

	Annual Budget allocated to Courts per inhabitant (2012)	Annual Budget for Public Prosecution per inhabitant (2012)	Annual Budget for Legal Aid per inhabitant (2012)	Annual Budget for Judicial System (Court, Prosecution and Legal Aid) per inhabitant (2012)
Bulgaria	17.1 Euros	11.5 Euros	0.80 Euros	29.5 Euros
Maximum in CoE states	122.1 Euros (Switzerland)	62.1 Euros (Switzerland)	53.55 Euros (Norway)	197.7 Euros (Switzerland)
Minimum in CoE states	2.7 Euros (Moldova)	1.7 Euros (Moldova)	0.02 Euros (Albania)	4.7 Euros (Moldova)
Average for CoE states	34.8 Euros	11.4 Euros	8.63 Euros	60.6 Euros

Source: CEPEJ 2014 (2012 data).

63. Table 19 shows that the annual budget allocation per inhabitant for Courts is 17.1 Euros in Bulgaria against the average for CoE states of 34.8 Euros. For the entire Judicial System, comprising of Courts, Public Prosecution and Legal Aid, the annual budget allocation per inhabitant in Bulgaria is 29.5 Euros, in comparison to the average for CoE states of 60.6 Euros. Bulgaria thus provides a lower absolute budget allocation (per inhabitant) for its judicial system in comparison to the average of CoE member states.

64. In terms of GDP per capita, the Bulgaria's budget allocation to the judicial sector is as follows:

Table 19b: Annual Budget allocation to Judicial Systems: Comparison to CoE States

	Annual Budget allocated to Courts as % of GDP per capita (2012)	Annual Budget for Judicial System (Court, Prosecution and Legal Aid as % of GDP per capita (2012)
Bulgaria	0.32	0.54
Maximum in CoE states	0.60 (Bosnia and Herzegovina)	0.82 (Bosnia and Herzegovina)

Minimum in CoE states	0.06 (Norway)	0.132 (Norway)
Average for CoE states	0.21	0.33

Source: CEPEJ 2014 (2012 data)

65. Table 19b shows that Bulgaria's annual budget allocation as a percentage of GDP per capita is higher than a rich country like Norway and lower than a poor country like Bosnia and Herzegovina. Bulgaria's allocation to its courts and judicial system on a GDP per capita basis is also above the COE averages. In fact only four COE states spend more on their judicial systems relative to GDP per capita than Bulgaria (Bosnia, Montenegro, Serbia and UK-N. Ireland). It is important to note that Bulgaria receives large scale assistance to strengthen rule of law from EU and other international organizations. As a result, the annual budget allocation may be higher than what it would have otherwise been.

66. A benchmarking of Bulgaria's judicial budget in comparison to other EU member states in relation to GDP is presented in ANNEX 3: Benchmarking of Per Capita State Budget and % of GDP with COE Member States. This benchmarking reveals that Bulgaria's judicial budget allocation as a percentage of GDP is second at 0.46%; only Slovenia spends more as a percentage of its GDP on the judiciary (0.53%). The benchmarking also shows that Bulgaria is dedicating almost 26 euros per capita for the operation of the judiciary compared to an average of over 50 euros per capita for EU Member States. Of the newer EU Member States, only Hungary, Poland, Slovakia and Slovenia are spending more per capita than Bulgaria. The rest of the former Eastern European countries are spending similar amounts as Bulgaria on their judicial system.

XI. Funding Operations of the Judiciary

67. The breakdown of funding sources for the judicial operations in Bulgaria is as follows:

Table 20: Funding Judicial Operations: Own Resources and Government Subsidy
(Amount in 1000 BGN)

	2007	2008	2009	2010	2011	2012	2013	2014
Funded from Own Resources	79,533	80,367	104,879	132,643	143,318	140,448	140,646	122,326
Funded from Government Subsidy	262,867	334,802	317,857	292,633	279,297	256,561	275,664	337,072
Total Funding Source	342,401	415,169	422,736	425,276	422,615	397,008	416,310	459,398
% From Own Resources	23%	19%	25%	31%	34%	35%	34%	27%
% From Government Subsidy	77%	81%	75%	69%	66%	65%	66%	73%

68. Table 20 shows that the judiciary is currently funding 27 % of its expenditure from its own sources, whereas the Government is funding 73 % through its subsidy. If we compare court fees with respect to expenditure on courts, the court fees cover 49 % of court expenditures.

69. Currently the judiciary is experiencing a reduction in filings which in turn reduces the collection of filing fees. The level of filing fee collection was reduced from a high of 124,009,000 BGN in 2011 and has declined almost each year since to its current level of 105,578,000 BGN in 2014. This is a reduction of 18,431,000 BGN or almost 15% over four years. It is anticipated that the amount of filing fees collected will continue to fall in succeeding years (matching the trend of decreasing intake of new court cases).

70. The SJC is proposing a restructuring of filing fees that will increase revenue in future years. Under this proposal, some fees would be increased to reflect the actual work being performed by the courts. For example, some fees for administrative cases and privately filed criminal cases are low based on the level of judicial effort and could be increased.¹³ On the other hand, the 4% proportionate fee charged in civil cases based on the amount of monetary interest can become extremely high in high-value cases and may deter some claimants from making claims or cause them to file only partial claims. Therefore, the SJC has proposed introducing a ceiling to this fee.

71. The SJC has submitted the revised court fee plan to the Council of Ministers, through the Deputy Minister of Finance, over the past few years for submission to Parliament. (The Council of Ministers is the only government body authorized to propose legislation to the Parliament.) The Council of Ministers has yet to act on the SJC's fee proposal. A revision of Bulgaria's court tariffs is overdue. The SJC's proposal should be reviewed and evaluated based on its impact on access to Bulgaria's courts as well as its revenue raising impact.

XII. Judicial Budget and Expenditure by Administrative Classifications:

72. The composition of the budget¹⁴ by Administrative Classifications is as follows:

Table 21: Composition of Judiciary Budget by Administrative Classifications
(Amount in 1000 BGN)

<i>Administrative Classification</i>	2008	2009	2010	2011	2012	2013	2014	2015
Supreme Judicial Council	4,776	10,191	7,711	7,711	12,506	11,906	11,962	12,004

¹³ Some judges believe raising the filing fees on some administrative and privately filed criminal cases will have the added benefit of leading to a reduction in frivolous filing allowing more time for judges to review other cases.

¹⁴ This covers the actual budget approved by the Parliament. There were Supplementary Budgets approved thereafter, for which the break-down by administrative or economic classification is not available.

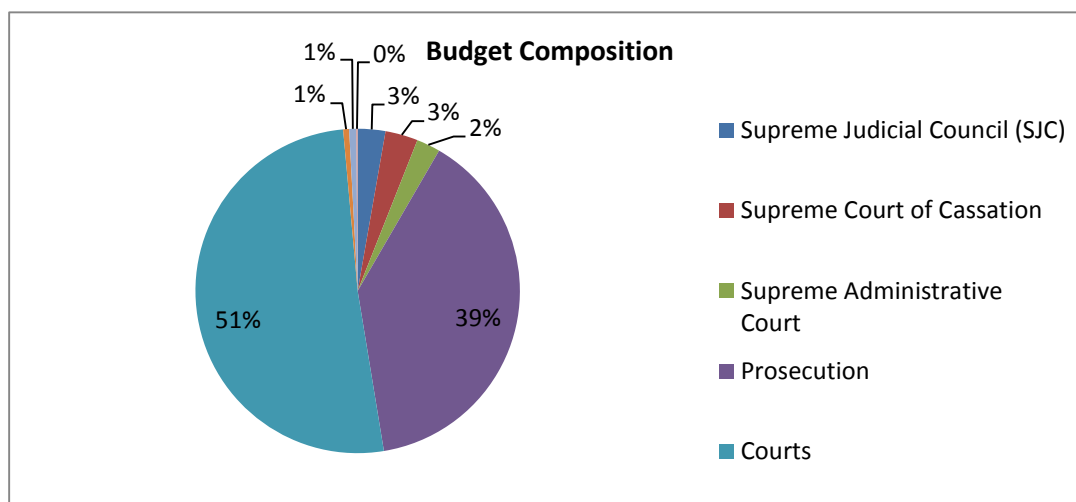
<i>Administrative Classification</i>	2008	2009	2010	2011	2012	2013	2014	2015
Supreme Court of Cassation	13,889	15,586	13,946	13,946	13,946	13,946	14,091	14,788
Supreme Administrative Court	9,829	11,136	10,152	10,152	10,152	10,152	10,270	11,331
Prosecution	104,346	120,981	154,908	154,908	158,908	162,708	169,414	183,325
National Investigative Service	8,878	10,049						
Courts (including administrative courts)	200,107	221,247	195,368	195,368	198,868	199,068	221,973	244,455
Investigative Services	37,481	42,678						
National Institute of Justice	2,642	3,027	2,578	2,578	2,578	2,578	2,601	3,086
Inspectorate under the Supreme Judicial Council	2,752	2,828	2,442	2,442	2,442	3,042	3,089	3,412
Reserves for urgent and unanticipated expenses	600	600	600	600	600	600	600	600
Total	385,300	438,323	387,705	387,705	400,000	404,000	434,000	473,000

73. Table 21 shows that there has been a modest 2.8 % per annum rise in the budget funding for the judiciary sector between 2008 and 2015. There was a reduction in the budget in 2010 due to the transfer of the investigation function to the police department. The judiciary was left with investigations of higher

order crimes against the nation¹⁵. The budget of National Investigative Services and Investigation Services were transferred to the Prosecution in 2010.

74. The composition of budget by administrative classifications for the year 2014 is presented below:

Figure 2: Composition of 2014 Judicial Budget by Administrative Classifications



75. Figure 2 shows that 51 % of the judicial budget is for the courts, 39 % for the prosecution, and 10 % for all other judicial institutions. The Supreme Court of Cassation and Supreme Administrative Court together have an allocation of 5 % of the judicial budget. The Supreme Judicial Council and the Inspectorate under it together have an allocation of 4 % of the judicial budget. The National Institute of Justice has an allocation of 1 % of the judicial budget. The budget expenditure follows the same trend.

76. The budget execution for the different administrative classifications described in Figure 3 and Table 22 is as follows:

¹⁵ The investigators under the District Prosecutors' offices can investigate any crimes that are assigned to them by the respective district prosecutors, however, usually the more complex crimes go to them. The investigators at the National Investigative Service investigate, according to the Judicial System Act, cases with special factual or legal complexity, crimes committed abroad, requests for legal assistance from foreign countries, as well as other cases specified in law.

Figure 3: Budget and Expenditure by Administrative Classification

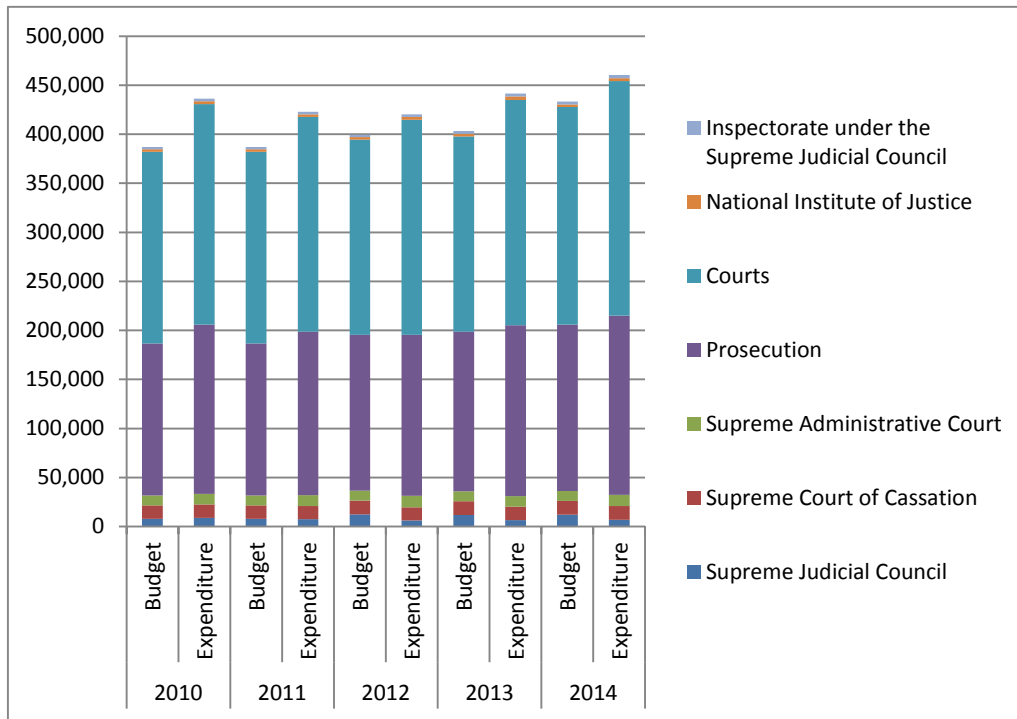


Table 22: Budget Execution % by Administrative Classifications
(Expenditure as % of Budget)

	2008	2009	2010	2011	2012	2013	2014
Supreme Judicial Council	157	85	116	98	50	55	56
Supreme Court of Cassation	91	80	97	97	97	98	101
Supreme Administrative Court	101	86	108	107	113	107	112
Prosecution	112	109	111	108	103	107	108
National Investigative Service	116	39					
Courts	109	87	115	112	110	115	108

	2008	2009	2010	2011	2012	2013	2014
Investigative Services	98	32					
National Institute of Justice	112	89	106	104	115	133	119
Inspectorate under the Supreme Judicial Council	87	83	109	103	109	102	104
Total Expenditures as a % of the Budget	109	86	113	109	105	109	106

77. Table 22 shows a budget execution by the Supreme Judicial Council that has been consistently low each of the last three years. The SJC has been unable to spend almost 45-50 % of its budget. The SJC should carefully assess its capacity to spend as it prepares future budgets. The highest budget execution by percentage is that of the National Institute of Justice on a consistent basis. Therefore, the Institute also should more accurately assess its needs during its budget preparation. The execution of the judicial budget exceeded the amounts in the State Budget Act for all years with the exception of budget year 2009. The Council of Ministers ordinances dealing with the judiciary's budget for the period 2008 – 2014 were examined to determine if the judiciary received supplemental funds. There were a number of decrees approved for 2013 and 2014 and only one decree approved in the three prior years. The National Audit Office confirmed that the additional judicial expenditures were authorized.

XIII. Judicial Budget and Expenditure by Economic Classifications

78. The composition of the judicial budget by economic classifications is as follows:

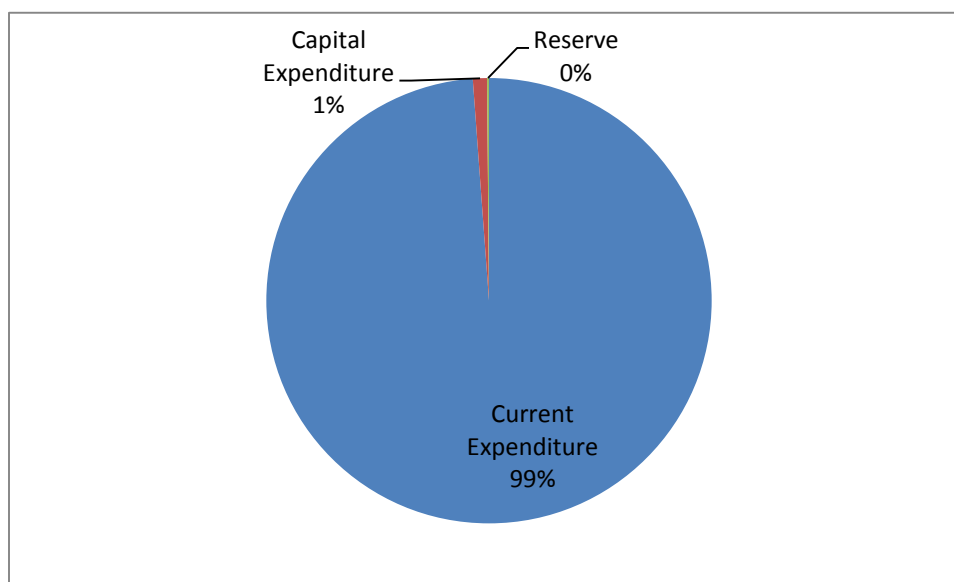
Table 23: Composition of Judicial Budget by Economic Classification
(Amount in 1000 BGN)

<i>Economic Classification</i>	2008	2009	2010	2011	2012	2013	2014	2015
Salaries	213,917	281,385	263,372	263,372				
Other Remuneration	32,700	24,515	19,107	20,000				
Social Security	71,022	66,596	64,596	64,335				
Maintenance	56,951	55,803	37,544	36,912				
Membership Fees	10	24	36	36				

<i>Economic Classification</i>	2008	2009	2010	2011	2012	2013	2014	2015
Current Expenditure	374,600	428,323	384,655	384,655	396,950	400,950	428,950	463,400
Capital Expenditure	10,100	9,400	2,450	2,450	2,450	2,450	4,450	9,000
Reserve	600	600	600	600	600	600	600	600
Total	385,300	438,323	387,705	387,705	400,000	404,000	434,000	473,000

79. From Table 23, it may be noted that the budget was classified only into current *and* capital expenditures from 2012 onwards; the breakdown of current expenditures into salaries, social security, other remuneration and payments and expenses for maintenance was not included in the budget. This gave more flexibility to the judiciary to use its current budget allocation based on its specific needs each year. The distribution of judicial budget into current and capital expenditures has been as follows:

Figure 4: Composition of Judiciary Budget 2014 by Economic Classifications



80. The Capital Budget has been significantly low. One of the reasons is that the Capital Budget requests submitted by the SJC are not approved in the Budget voted by the Parliament. This is described in Table 24.

Table 24: Capital Budget Requests and Approvals by Parliament

Year	Budget Request by Judiciary (BGN 000)	Budget Received from Parliament (BGN 000)	Budget Received as a % of Request
2008	28,800	10,100	35.1%
2009	27,109	9,400	34.7%
2010	31,900	2,450	7.7%
2011	25,325	2,450	9.7%
2012	24,761	2,450	9.9%
2013	19,918	2,450	12.3%
2014	19,900	4,450	22.4%

(Source: Supreme Judicial Council)

81. The table shows that a very small proportion of the capital budget requests of the judiciary are included in the Budget Act. This leads to lack of resources for the judiciary in regard to modernization. Since 2007 the Ministry of Justice is responsible for the capital assets of the judiciary and these funds form part of MOJ's budget. Since 2009 the Judicial System Act specifies that this responsibility extends only to immovable capital goods such as court buildings. The change appears to not have impacted SJC's ability to get more funds for movables, i.e. it continuously appears to get insufficient funds. The responsibility over capital budget was moved to MOJ because the judiciary was not doing a very good job of managing it. The main negative effect of separating the responsibility over movable and immovable properties has been that currently the judiciary pays for ordinary repair and MOJ pays for capital repair. Therefore, there have been arguments over how to characterize individual repair works, which has led to their postponement.

82. The expenditures are recorded as per detailed economic classifications. The composition of the judicial expenditure by economic classification is presented below.

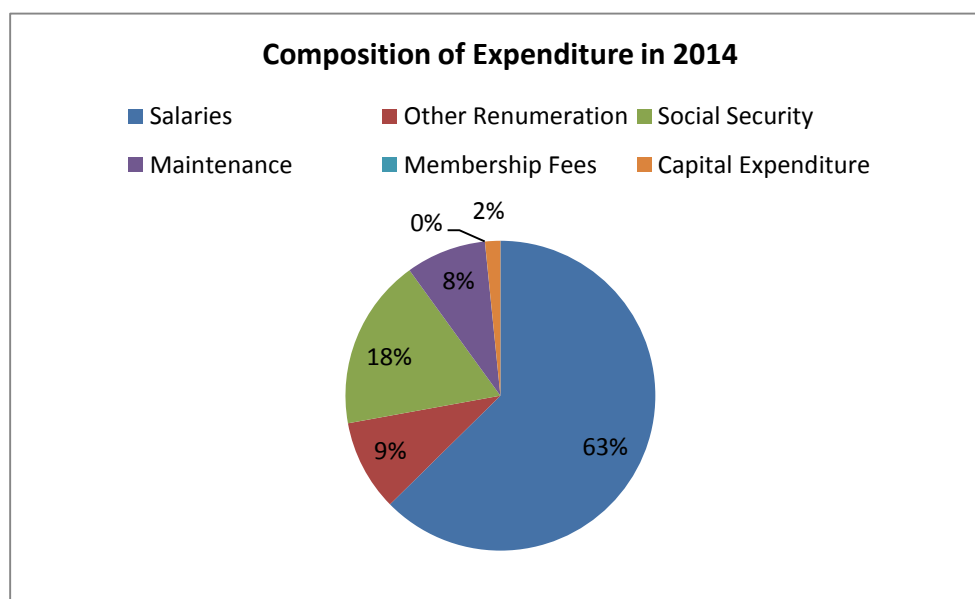
Table 25: Composition of Judicial Expenditure by Economic Classification
(Amount in 1000 BGN)

<i>Economic Classification</i>	2008	2009	2010	2011	2012	2013	2014
Salaries	256,498	230,348	293,025	274,472	270,374	286,250	288,252
Other Remuneration	27,413	32,109	34,471	34,513	38,187	35,616	43,833
Social Security	70,400	67,335	64,520	69,778	70,333	79,083	82,254
Maintenance	51,437	47,160	42,087	41,632	39,525	39,053	38,600

<i>Economic Classification</i>	2008	2009	2010	2011	2012	2013	2014
Membership Fees	24	44	37	41	40	39	42
Current Expenditure	405,772	376,996	434,140	420,436	418,459	440,041	452,981
Capital Expenditure	12,838	1,624	2,087	2,390	1,783	1,429	7,337
Total	418,610	378,620	436,227	422,826	420,242	441,470	460,308

83. The composition of judicial expenditure by economic classifications for 2014 is broken down below:

Figure 5: Composition Judicial Expenditure in 2014 by Economic Classifications



84. Figure 5 shows that nearly 90% of expenditure is used to support the judiciary's human resources (63% for salaries, 18 % for Social Security and 9 % on other remuneration). This leaves only 8 % for Maintenance and only 2 % for Capital Expenditure. This has been the general trend over several years.

85. The budget execution by economic classifications over the past 7 years has been as follows:

Table 26: Budget Execution by Economic Classification (2008-2014)
(Expenditure as % of Budget)

Economic Classification	2008	2009	2010	2011	2012	2013	2014
Salaries	120	82	111	104			
Other Remuneration	84	131	180	173			
Social Security	99	101	100	108			
Maintenance	90	85	112	113			
Membership Fees	240	183	103	114			
Current Expenditure	108	88	113	109	105	110	106
Capital Expenditure	127	17	85	98	73	58	165
Average	109	88	113	109	105	109	106

86. From Table 26, it is clear that budget execution been more than 100 % since 2010 and in six of the past seven years. The average budget execution during 2008-2014 has been 106 %. The average budget execution of current expenditure has been 106 % and that of capital expenditure has been 89 %. The execution percentage for “other remuneration” was exceptionally high during 2010 and 2011. The breakdown of budget execution for the current budget is not available for 2012-2014 as the budget itself did not provide this detail.

87. The execution of the Capital Budget in 2013 was 58 % while in 2014 it was 165 %. Both of these were exceptional. The high capital budget execution in 2014 was due to the completion of building construction in Sofia. Expenditure in excess of the originally approved budget is usually done with prior approval of the Ministry of Finance, in the form of Supplementary Budgets.

88. The Ministry of Justice has the responsibility for managing the property of the judiciary; the funds for construction and complete refurbishment of real estate; and for property entailed obligations, i.e. taxes, fees, rent¹⁶. The Table 27 shows the funding approved in the State Budget Act and actual expenditures for judicial facilities.

¹⁶ The funds for acquiring, using and managing ‘movables’ is made available under the budget of the judiciary.

Table 27: Budget and Expenditure for Acquisition and Renovation of Judicial Facilities
(Amount in BGN)

	State Budget Act	Actual Expenditures	Expenditure %
2008	28,000,000	19,614,058	70
2009	29,054,500	11,299,216	39
2010	13,200,000	8,463,789	64
2011	11,400,000	15,507,440	136
2012	11,400,000	9,965,048	87
2013	11,400,000	8,422,942	74
2014	9,814,980	2,656,245	27

(Source: Ministry of Justice).

89. The general tendency to under-execute the capital budget demonstrates the complexities involved in new space acquisition and major renovation projects. Most of the issues, if not all, are outside the control of the MOJ.

90. The SJC has a minimal capital budget of its own to be used for minor space maintenance and repair projects. Some of these minor capital expenditure projects have resulted in disagreements with the MOJ as to which monies should be used for the project. This is one of the reasons why the MOJ is considering proposing that the SJC assume responsibility for all space acquisition, major renovation as well as the minor maintenance and repair projects for which it is already responsible. The proposal for the SJC to manage the buildings was part of the draft amendments to the Constitution of Republic of Bulgaria approved at first reading in September 2015.

91. Considering that salaries are a major component of Bulgaria's judicial budget, a benchmarking with other COE member states has been done as shown in ANNEX 4: Benchmarking of Salaries of Judiciary with other CoE states. It is evident from Annex 4 that both gross wages of a Supreme Court judge and a first instance judge in Bulgaria are lower than in most other CoE states. The only country paying a lower wage than Bulgaria is Albania. However, the ratio of gross wages of a judge in comparison to the gross average wage is one of the highest in Bulgaria, and is second only to Romania.

92. The following provisions of the Judicial Systems Act provide for a minimum salary for magistrates and judges:

"Article 218 (1). The chairpersons of the Supreme Court of Cassation and of the Supreme Administrative Court, the Prosecutor General and the Director of the National Investigation Service shall have a basic monthly remuneration equal to 90 percent of the remuneration of the chairperson of the Constitutional Court.

(2) The basic monthly remuneration for the lowest judicial, prosecutorial or investigating magisterial position shall be set at the double amount of the average monthly salary of budget-funded employees, based on data of the National Institute of Statistics.

(3) Remunerations for other positions at judicial system bodies shall be set by the Supreme Judicial Council.

Article 219. On top of the basic monthly remuneration, judges, prosecutors and investigating magistrates shall be paid additional remuneration for extended work as a judge, prosecutor and an investigating magistrate at the amount of 2 percent for each year of service record, not to exceed 40 percent”.

93. The salary of civil servants was enhanced in 2012, but there was no equivalent increase in the salary of magistrates and judges. Accordingly, about 20 % of judges and magistrates are receiving less than the salary prescribed under the above provisions of the Judicial Systems Act. This has led to hardships and resentment among judges.

Conclusions and Recommendations

94. **Performance of the Judiciary:** The performance of judiciary in terms of case disposition has been quite satisfactory. The clearance rate in Bulgarian courts has been close to 100 % in all of the past 7 years and the disposition time has been less than 75 days for all years except 2008, both of which can be considered good performance in comparison to other European countries.

95. **Judicial Staffing and Workloads:** There are 2,225 approved judge positions, against which, 1,811 judges are working. The average actual caseload per judge per month at the national level is about 30. There are several courts with very low caseloads. As a result, there is scope to redeploy surplus judges to other courts with high caseloads. At the national level, however, there does not appear to be a need to increase the total number of working Judges. As an initial step in the judicial restructuring process, the SJC could consider reducing the number of approved judge positions to the number of currently filled positions (1,811). Further restructuring, including possibly additional reductions in judicial positions, could then be based on a more refined analysis of workloads and case complexity.

96. **Support Staff Levels:** The ratio of staff to inhabitants in Bulgaria is 2.7, which is one of the highest in Eastern European countries. However, staffing is not uniform across courts. The SJC should consider reducing the ratio at the national level (thereby contributing to cost-savings) and uniformly distributing the revised national ratio across courts (thereby improving efficiency).

97. **District and Regional Courts Workloads:** There is scope for the judiciary to reorganize itself to improve its efficiency and effectiveness based on an assessment of judicial workloads.¹⁷ There are presently 13 district courts where the caseload per judge is less than 10 cases per month. Similarly, there are 6 regional courts where the caseload is 20 or fewer cases per judge per month. Both of which are well below

¹⁷ For this study the World Bank has only measured the number of cases per court and per judge and has not assessed the complexity or the types of cases that are handled in different courts in Bulgaria. A deeper analysis of case complexity could result in different conclusions.

the average for each type of case. It is likely that the number of judges in these courts can be reduced with some judges freed to be redeployed to other courts where there are higher caseloads. Surplus judges in district courts could be redeployed within regional courts located in the same district centers to avoid any discomfort due to re-location¹⁸. In addition, regional courts with low caseloads could be consolidated with other regional courts or they could be retained as territorial units of other, larger regional courts. Considering that there are only about 4 judges in regional courts on average, redeployment of judges to other courts may not be appropriate.

98. **Appellate Courts:** There are 147 judges working in 6 appellate courts (including 1 Appellate Military Court). On average, there are 25 judges per court who each hear only 8.4 cases per month and resolve only 7.1 cases per month. It may be difficult to justify this level of appellate court staffing given the existing caseload. The SJC should consider consolidating the 6 appellate courts into 2 or 3 appellate courts and redeploy surplus judges elsewhere, so that the average appellate caseload per judge is around 25 cases per month – closer to the overall average of 30 cases per judge per month for all Bulgaria's courts.

99. **Military Courts:** There are 19 judges working in 4 military courts. The caseload per judge is only 2.4 cases per month. It is likely difficult to justify the existing number of military judges given the caseload. One court with 2 judges could manage the existing caseload. The SJC should consider consolidating 4 military courts into a single military court to handle the existing caseload. Surplus judges could be redeployed elsewhere, if needed. Alternatively, the SJC, MOJ and military leadership could consider moving all military cases into the general courts and closing the military court system as suggested by the MOJ.

100. **Investigation Magistrates:** the average caseload per Investigation Magistrate at the National Investigative Service in 2013 was estimated to be 11.89 cases, of which 5.79 cases have been completed and just 0.56 have ended with an opinion for bringing an indictment to court. This is very low workload and even lower indictment rate. According to the Ministry of Justice, this caseload has declined further since 2013. The government should carefully examine the potential workload for these magistrates and decide how many are required to do the job at hand. The surplus judges could be redeployed elsewhere.

101. **Options for Surplus Judges:** In view of the analysis and conclusions in this paper, a number of judges may be determined to be surplus because the SJC may not be able to identify suitable places for their redeployment. However, under Bulgarian law, judges cannot be removed from service except by way of attrition. Hence, the government may want to consider options to allow these judges to retire or redeploy within the government as alternative exit routes to changing the law.

102. **Secondment of Judges:** At present, there are about 114 judges seconded to other courts through agreements between the court presidents. There are two major issues regarding the current administration of the program: the appearance of favoritism in the assignment of judges to higher courts with associated increase in wages and the possibility of court presidents influencing the decision of those seconded judges who want to maintain their secondment assignment. To address these issues the SJC should consider terminating the secondment program as it is currently administered by the court presidents and assume direct responsibility itself for deciding the placement of seconded judges. The SJC's

¹⁸ It is acknowledged this could be considered as demotion by some judges. Hence, the pay and title must be protected. On the other hand, it may be possible for example to redeploy judges from other District Courts to Sofia City Court.

decisions should then be based on a careful and detailed analysis of workloads across Bulgaria's courts and the circumstances under which full-time vacancies have been generated from the termination of magistrates on any of the grounds listed in Article 165 of the Judicial Systems Act, i.e., tendering of resignation, disciplinary termination, etc. In the event of such circumstances, secondment of magistrates may remain the most expedient manner of swift and effective resolution of workload issues.

103. **Under-Funded Judicial Budget Request:** Despite high judicial expenditures in relation to its per capita GDP (based on comparison with EU and neighboring countries), Bulgaria has underfunded its judiciary in relation to the SJC's budget request and the statutory required minimum salaries for judges. Ninety-eight percent of Bulgaria's judicial budget is for current expenditure, the majority of which is for salaries and other remuneration. However, current budget levels are insufficient to pay even the minimum salary for magistrates prescribed under law. The capital budget is also not adequate to meet judicial needs as only about 10-15 % of the judiciary's capital budget requests are approved by the Parliament. The low execution rate for the capital budget had been of a concern until 2013, but in 2014, the execution rate for the Capital Budget reached 165 %.

104. **Judicial Restructuring and Cost Savings:** In light of the funding uncertainty faced by the judiciary and the opportunities for restructuring the judicial system identified in this paper, it may be possible for the SJC, MOJ and MOF to reach agreement on a medium term funding strategy for the judiciary. Such an agreement could be based on a judicial restructuring plan that leads to a more efficient court system with a more equitable distribution of workload (by redeploying judges, consolidating courts, and shrinking judicial and staff positions as necessary) that can be fully funded (both current and capital expenditures) without resort to annual debates over supplemental budget requests. Given the overall costs, it is recommended that a proportion of any savings from judicial restructuring be used to finance increases in salaries and higher capital expenditure.

105. **Court Fee Structure:** There is a scope for the judiciary to increase its own revenues by reforming and raising filing fees. For a number of years, the SJC has submitted proposals to the Council of Ministers seeking support to submit a revised court fee structure to Parliament for approval. The Council of Ministers has not acted on the SJC proposal. A revision of the tariff is overdue and the SJC proposal should be evaluated based on its impact on access to Bulgaria's courts and on the court systems' revenue raising capacity. In the determination of the revised court fee structure, it would be necessary to strike a balance between the need to boost own revenues in the judiciary budget and the right of access to justice for citizens and legal entities.

106. **Predictability of Government Subsidy:** The judiciary has raised concerns that any economies realized through reduced costs or increased income that it is able to achieve through judicial restructuring would result in the reduction of the government's subsidy to the judicial budget leaving overall expenditures at their present insufficient level. These concerns have been aggravated by the latest State Budget Act which for the first time provided that if the judiciary fails to reach the budgeted levels of its own income, the state budget subsidy would not be raised to compensate any shortfall. It is noteworthy, however, that in its Decision No 4/2015, the Constitutional Court declared this provision of the State Budget Act to be contrary to the Constitution and would therefore not be implemented. The SJC would like greater predictability in the resources they receive from the government budget so that they can undertake necessary reorganization and restructuring of the courts and judiciary with confidence that they will have access to sufficient resources to manage a restructured judicial system.

107. **Preparing Medium-Term Budget as Per Plans of Judiciary:** It is recommended that SJC prepare a medium-term Action Plan based on the Justice Sector Reform Strategy approved by the Council of Ministers in December 2014 and approved by National Assembly in January 2015. The Action Plan could then be used to develop the judiciary's medium term financial requirements. The medium term financing plan could incorporate the minimum salary for judges and other judicial officials as prescribed under law. It also is recommended that the judiciary's full capital budget needs in reference to their modernization plan are included in the financing plan. The medium term financing plan could account for any funding expected to be received from the EU or other international organizations for judicial modernization. The judiciary's spending should be aligned to the performance of its functions. A realistic medium-term budget forecast should be based on an analysis of the spending efficiency in the system and tied to plans for the achievement of the goals defined in the Judicial Reform Strategy. It is also recommended that the Ministry of Justice and Ministry of Finance review this medium term financing framework and have an open discussion with the SJC in order to reach consensus on a stable funding plan.

108. One option that a number of Latin American countries have used to increase the predictability in government funding to the judiciary is linking the government subsidy to the judicial budget to GDP. If all the parties can agree on a formula for sufficient and consistent government subsidies to the judicial budget, then this could help to build trust between the judiciary and the Government and motivate the former to reform. However, this linkage does not appear to have any impact on judicial performance, including the length of court processes.¹⁹ In addition, earmarks make the budget allocation process more rigid. They undermine allocative efficiency by preventing the government from moving resources to meet changing needs; they may reduce technical efficiency by undermining managerial incentives; and there is a risk of such earmarks proliferating.

109. **Decentralization of Expenditure Decisions:** Presently courts must receive prior authorization from the SJC for every expenditure that they make from the budget, while every fee that a court receives is transferred to the SJC. Court presidents cannot retain any funds or take any expenditure decisions on their own. The SJC could consider allowing court presidents to retain some percentage of the fees that their courts collect. Considering that some courts collect fees to a significantly lesser extent in comparison to their maintenance requirements, SJC could use the pool of fees collected to address the needs of resource-deficient courts. The objective of this recommendation is to empower courts to use a portion of their collected fees for the maintenance and development of their respective courts. The SJC could match this decentralization of authority with specific rules defining the object and method by which court presidents could use those funds and providing procedures for holding court presidents more accountable for the use of these retained funds. Also, a results agreement could be signed between the SJC and court presidents at the beginning of the year and the latter made accountable for results.

¹⁹ OECD (2013), "What makes civil justice effective?" OECD Economics Department, Policy Notes, No. 18 June 2013, at p.5.

ANNEX 1: Case Disposal and Workload between 2008 and 2014

I. Movement of cases 2008

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Completed cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	3124	10634	13758	11554	8865	77%	2204
Military courts	169	1934	2103	1978	1842	93%	125
District courts + Sofia CC	33503	78600	112103	84258	59026	70%	27845
RC in district centers +Sofia RC	53664	229926	283590	233622	175188	75%	49968
Regional courts (RC)	20316	91595	111911	92525	73612	80%	19386
Administrative courts	7448	34060	41508	32438	21226	65%	9070
Total cases	11,0776	44,6749	564,973	456,375	339,759	74%	108,598

II. Number of judges according to staff and workload of judges according to staff in 2008

COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL	
		To all cases for hearing	To total completed cases
Appellate courts	135	8.49	7.13
Military courts	31	5.65	5.32
District courts + Sofia CC	744	12.56	9.44
RC in district centers +Sofia RC	562	42.05	34.64
Regional courts (RC)	390	23.91	19.74
Administrative courts	263	13.15	10.28
TOTAL	2,125	22.16	17.90

I. Movement of cases in 2009

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Completed cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	2233	10433	12666	10953	8289	76%	1713
Military courts	123	1724	1847	1766	1702	96%	81
District courts + Sofia CC	27816	81323	109139	85747	63085	74%	23392
RC in district centers +Sofia RC	49920	285547	335467	281985	227080	81%	53482
Regional courts (RC)	19411	109284	128695	110771	92541	84%	17924
Administrative courts	9124	36040	45164	35710	23916	67%	9454
Total cases	99,503	524,351	632,978	526,932	416,613	79%	106,046

II. Number of judges according to staff, workload according to staff actual workload of judges for 2009

COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL		Men-month worked out	Actual workload	
		To all cases for hearing	To total completed cases		To all cases for hearing	To total completed cases
Appellate courts	140	7.54	6.52	1436	8.82	7.63
Military courts	30	5.13	4.91	295.83	6.24	5.97
District courts + Sofia CC	752	12.09	9.50	7241.8	15.07	11.84
RC in district centers +Sofia RC	572	48.87	41.08	5794.45	57.89	48.66
Regional courts (RC)	398	26.95	23.19	3999.71	32.18	27.69
Administrative courts	270	13.94	11.02	2771.93	16.29	12.88
TOTAL	2,162	24.40	20.31	21539.72	29.39	24.46

I. Movement of cases in 2010

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Completed cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	1659	11488	13147	11286	9472	84%	1861
Military courts	81	2001	2082	1951	1908	98%	131
District courts + Sofia CC	23433	88362	111795	88742	70866	80%	23053
RC in district centers +Sofia RC	53481	340638	394119	334503	289668	87%	59616
Regional courts (RC)	17940	138327	156267	138991	124111	89%	17276
Administrative courts	9443	39510	48953	38199	27881	73%	10754
Total cases	106037	620326	726363	613672	523906	85%	112691

II. Number of judges according to staff, workload according to staff actual workload of judges for 2010

COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL		Men-month worked out	Actual workload	
		To all cases for hearing	To total completed cases		To all cases for hearing	To total completed cases
Appellate courts	141	7.77	6.67	1405.14	9.36	8.03
Military courts	28	6.20	5.81	280.50	7.42	6.96
District courts + Sofia CC	759	12.27	9.74	7160.95	15.61	12.39
RC in district centers +Sofia RC	577	56.92	48.31	6031.49	65.34	55.46
Regional courts (RC)	394	33.05	29.40	3879.34	40.28	35.83
Administrative courts	266	15.34	11.97	2770.29	17.67	13.79
TOTAL	2165	27.96	23.62	21527.71	33.74	28.51

I. Movement of cases in 2011

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Completed cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	1820	12542	14362	12351	10966	89%	2011
Military courts	131	1407	1538	1463	1425	97%	75
District courts + Sofia CC	23061	92439	115500	90801	71594	79%	24699
RC in district centers +Sofia RC	59833	351132	410965	347829	297853	86%	63136
Regional courts (RC)	17259	148318	165577	148612	134854	91%	16965
Administrative courts	10767	44177	54944	42724	32178	75%	12220
Total cases	112871	650015	762886	643780	548870	85%	119106

II. Number of judges according to staff, workload according to staff actual workload of judges for 2011

COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL		Men-month worked out	Actual workload	
		To all cases for hearing	To total completed cases		To all cases for hearing	To total completed cases
Appellate courts	142	8.43	7.25	1441.40	9.96	8.57
Military courts	27	4.75	4.52	270.00	5.70	5.42
District courts + Sofia CC	751	12.82	10.08	7197.57	16.05	12.62
RC in district centers +Sofia RC	573	59.77	50.59	5847.50	70.28	59.48
Regional courts (RC)	385	35.84	32.17	3803.71	43.53	39.07
Administrative courts	269	17.02	13.24	2800.57	19.62	15.26
TOTAL	2147	29.61	24.99	21360.75	35.71	30.14

I. Movement of cases in 2012

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Completed cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	2007	13025	15032	12675	11321	89%	2357
Military courts	75	1501	1576	1472	1444	98%	104
District courts + Sofia CC	24948	97074	122022	96694	77009	80%	25328
RC in district centers +Sofia RC	63481	332322	395803	331335	286026	86%	64468
Regional courts (RC)	16982	133396	150378	133328	119893	90%	17050
Administrative courts	12265	46914	59179	44666	32250	72%	14513
Total cases	119,758	624,232	743,990	620,170	527,943	85%	123,820

II. Number of judges according to staff, workload according to staff actual workload of judges for 2012

COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL		Men-month worked out	Actual workload	
		To all cases for hearing	To total completed cases		To all cases for hearing	To total completed cases
Appellate courts	158	7.93	6.69	1679.86	8.95	7.55
Military courts	27	4.86	4.54	306.00	5.15	4.81
District courts + Sofia CC	767	13.26	10.51	7331.55	16.64	13.19
RC in district centers +Sofia RC	575	57.36	48.02	5519.27	71.71	60.03
Regional courts (RC)	381	32.89	29.16	3874.94	38.81	34.41
Administrative courts	268	18.40	13.89	2720.91	21.75	16.42
TOTAL	2,176	28.49	23.75	21,432.53	34.71	28.94

I. Movement of cases in 2013

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Completed cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	2,356	12,792	15,148	12,752	11,372	89%	2,396
Military courts	104	1,230	1,334	1,286	1,264	98%	48
District courts + Sofia CC	25,412	92,270	117,682	91,226	71,293	78%	26,456
RC in district centers +Sofia RC	64,529	304,631	369,160	306,383	257,171	84%	62,777
Regional courts (RC)	17,059	122,770	139,829	123,681	110,050	89%	16,148
Administrative courts	14,537	46,556	61,093	48,497	35,503	73%	12,596
Total cases	123,997	580,249	704,246	583,825	486,653	83%	120421

II. Number of judges according to staff, workload according to staff actual workload of judges for 2013

COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL		Men-month worked out	Actual workload	
		To all cases for hearing	To total completed cases		To all cases for hearing	To total completed cases
Appellate courts	159	7.94	6.68	1753.12	8.64	7.27
Military courts	27	4.12	3.97	271.50	4.91	4.74
District courts + Sofia CC	768	12.77	9.90	7701.02	15.28	11.85
RC in district centers +Sofia RC	618	49.78	41.31	5580.30	66.15	54.90
Regional courts (RC)	373	31.24	27.63	3833.96	36.47	32.26
Administrative courts	269	18.93	15.02	2659.82	22.97	18.23
TOTAL	2,214	26.51	21.97	21,799.72	32.31	26.78

I. Movement of cases in 2014

COURTS	Pending at the beginning of the period	Received during the year	Total for hearing	Resolved cases			Pending at the end of the period
				Total	Within 3 months		
					Number	%	
Appellate courts	2,374	12,497	14,871	12,547	11,153	89%	2,324
Military courts	48	498	546	517	480	93%	29
District courts + Sofia CC	26,510	88,720	115,230	89,473	68,300	76%	25,757
RC in district centers +Sofia RC	62,932	280,788	343,720	288,648	246,197	85%	55,072
Regional courts (RC)	16,159	109,802	125,961	111,992	100,244	90%	13,969
Administrative courts	12,614	42,355	54,969	43,285	31,293	72%	11,684
Total cases	120,637	534,660	655,297	546,462	457,667	84%	108,835

II. Number of judges according to staff, workload according to staff actual workload of judges for 2014

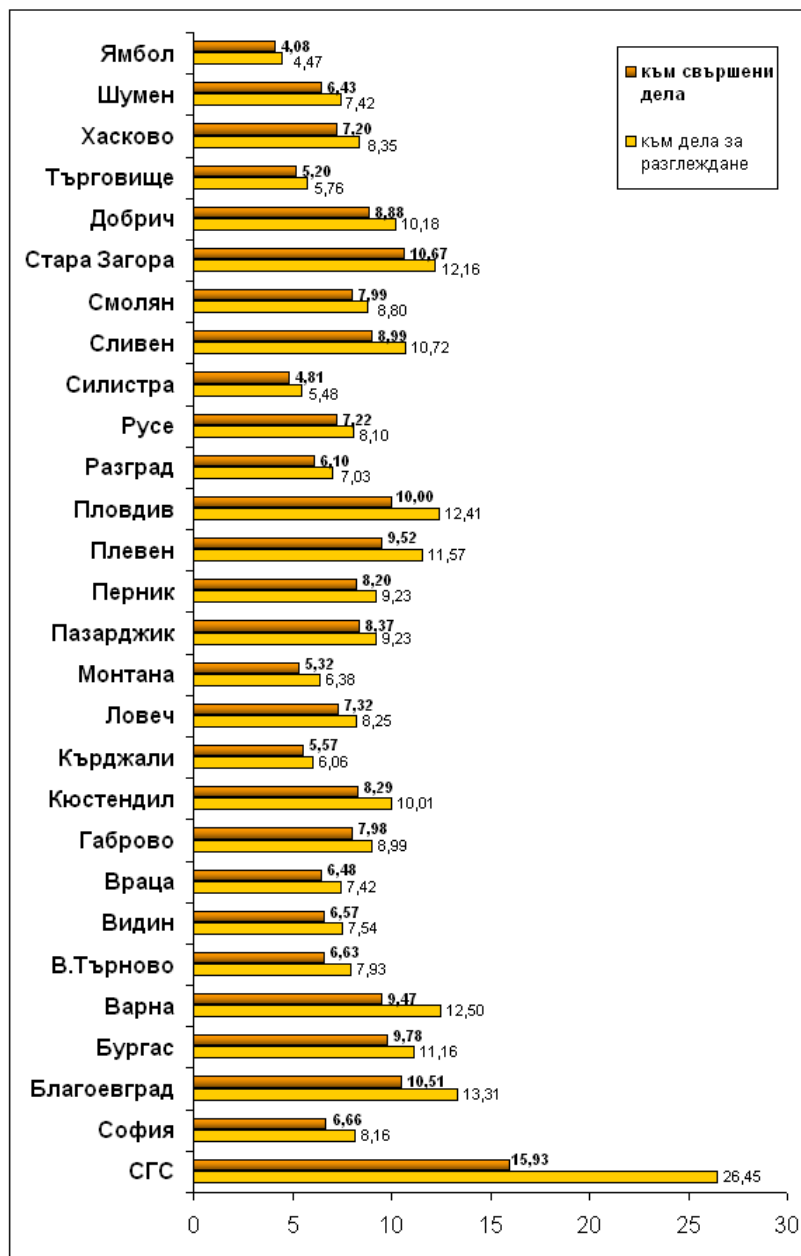
COURTS	Number of judges according to staff TOTAL	Workload according to staff TOTAL		Men-month worked out	Actual workload	
		To all cases for hearing	To total completed cases		To all cases for hearing	To total completed cases
Appellate courts	162	7.65	6.45	1759.42	8.45	7.13
Military courts	25	1.82	1.72	229.00	2.38	2.26
District courts + Sofia CC	777	12.36	9.60	7437.35	15.49	12.03
RC in district centers +Sofia RC	631	45.39	38.12	5806.19	59.20	49.71
Regional courts (RC)	361	29.08	25.85	3774.26	33.37	29.67
Administrative courts	269	17.03	13.41	2712.96	20.26	15.95
TOTAL	2,225	24.54	20.47	21,719.18	30.17	25.16

ANNEX 2: Court-Wise Actual Workloads between 2008 and 2014

2008: Graph on workload per approved position in District Courts with reference to (1) completed cases and (2) all cases:

Приложение № 54

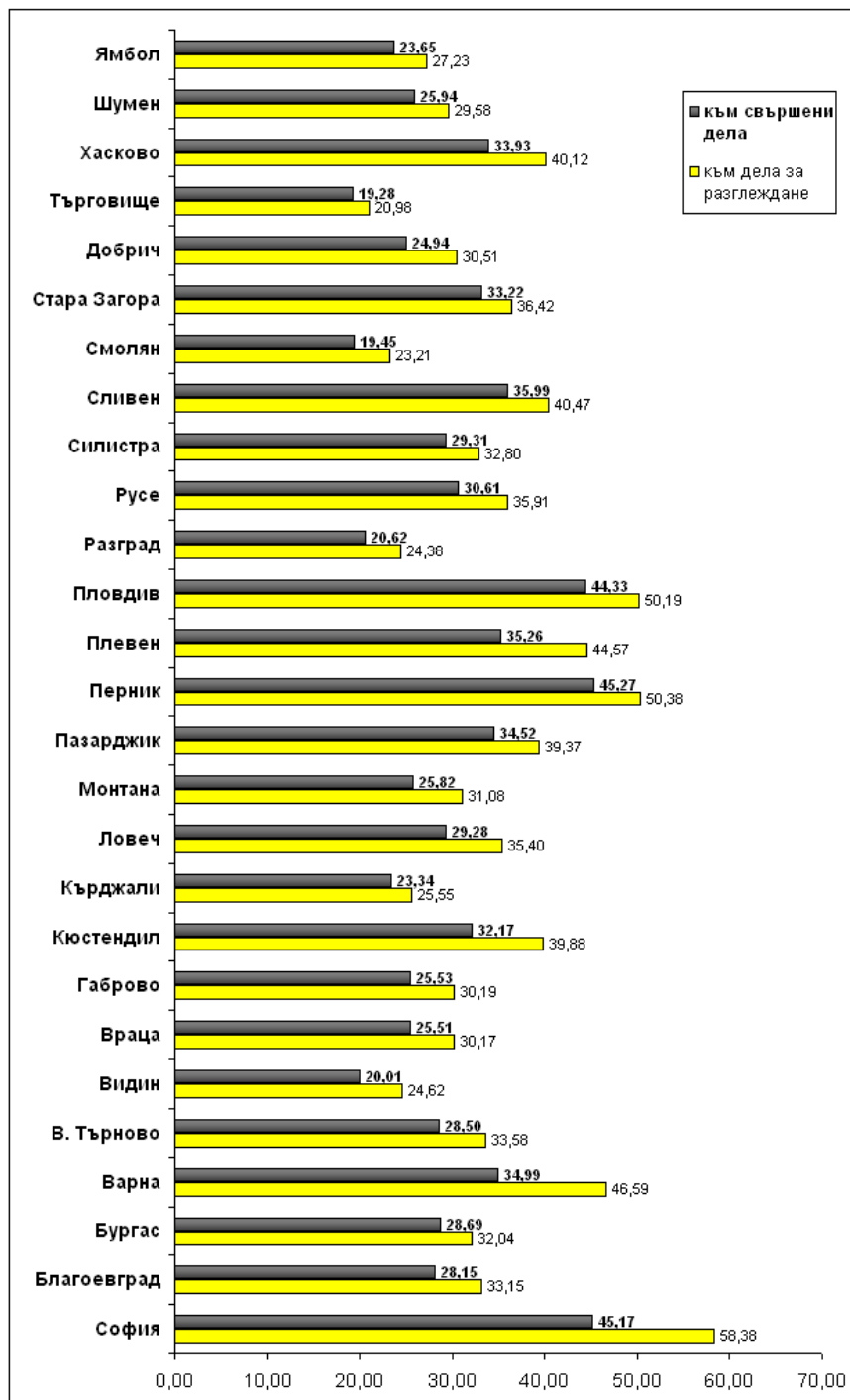
Окръжни съдилища
Натовареност на магистратите по щат за 2008 година



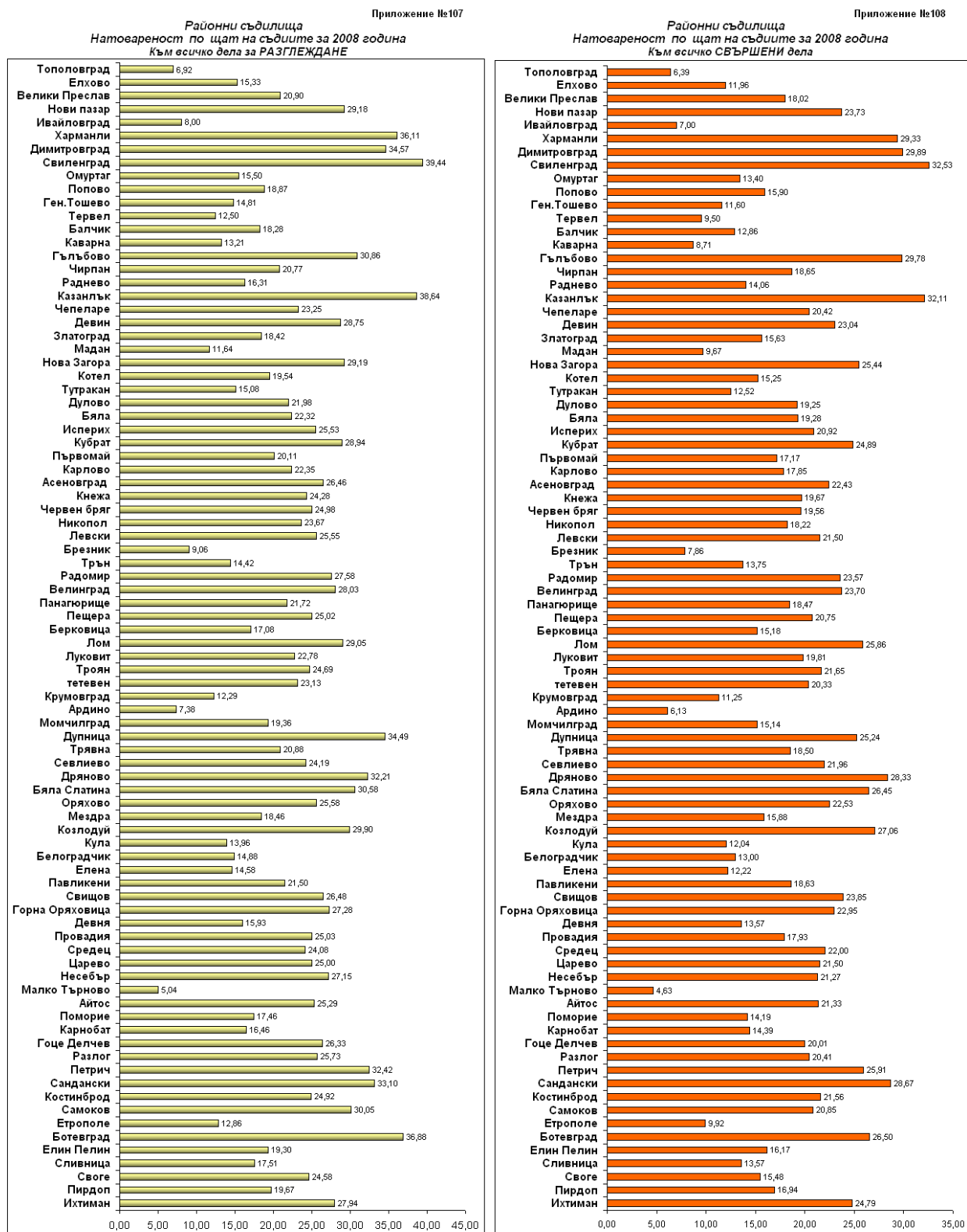
**2008: Graph on workload per approved position in Regional Courts in District Towns with reference to
(1) completed cases and (2) all cases:**

Приложение № 84

*Районни съдилища в областните центрове
НАТОВАРЕНОСТ ПО ЩАТ на съдиите за 2008 година*



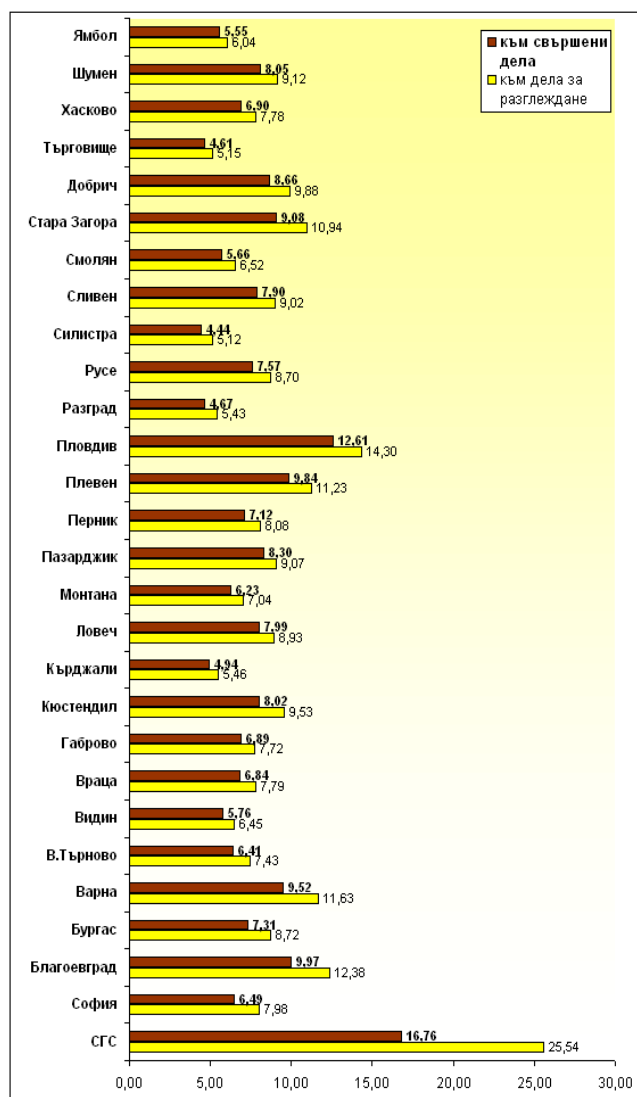
2008: Graph on workload per approved position in Regional Courts with reference to (1) all and (2) completed cases:



2009: Graph on (1) workload per approved position and (2) actual workload in District Courts with reference to (1) completed cases and (2) all cases:

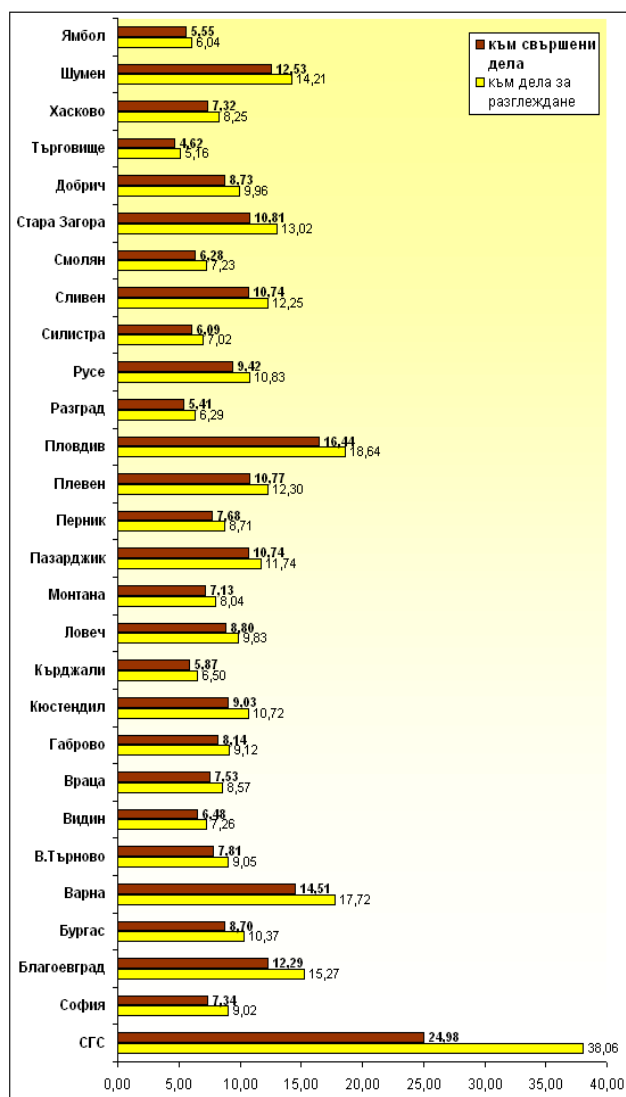
Приложение № 54

Окръжни съдилища
НАТОВАРЕНОСТ ПО ЩАТ на съдиите за 2009г.



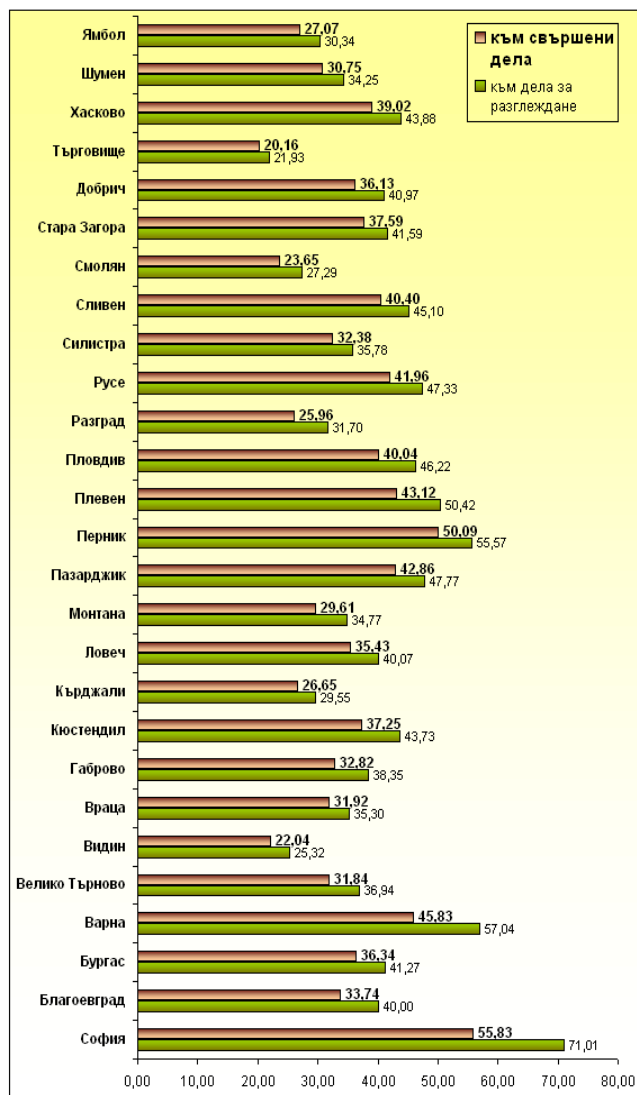
Приложение № 55

Окръжни съдилища
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2009г.

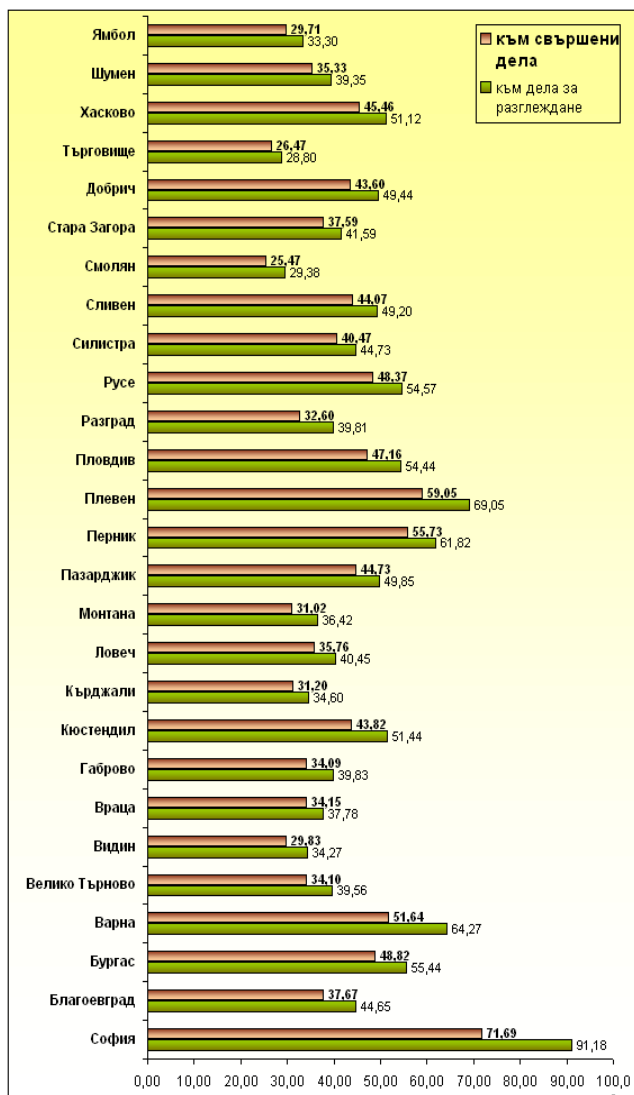


2009: Graph on (1) workload per approved position and (2) actual workload in Regional Courts in District Towns with reference to (1) completed cases and (2) all cases:

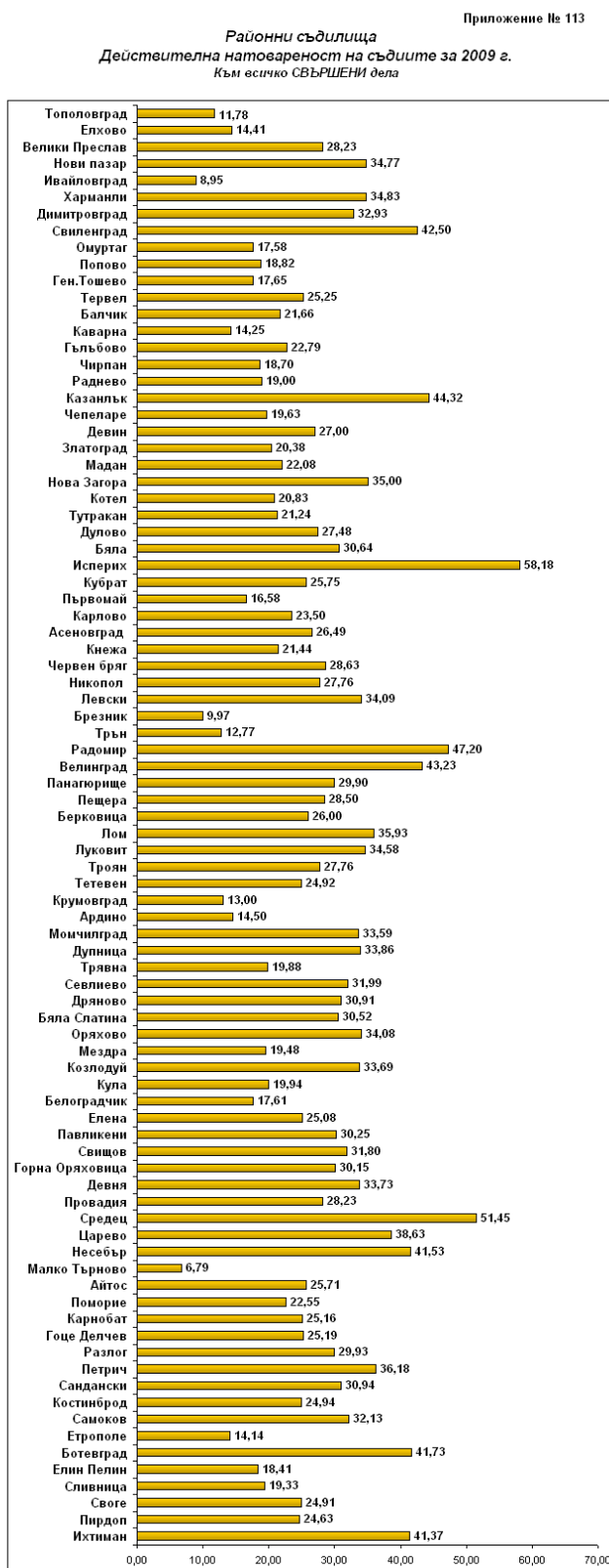
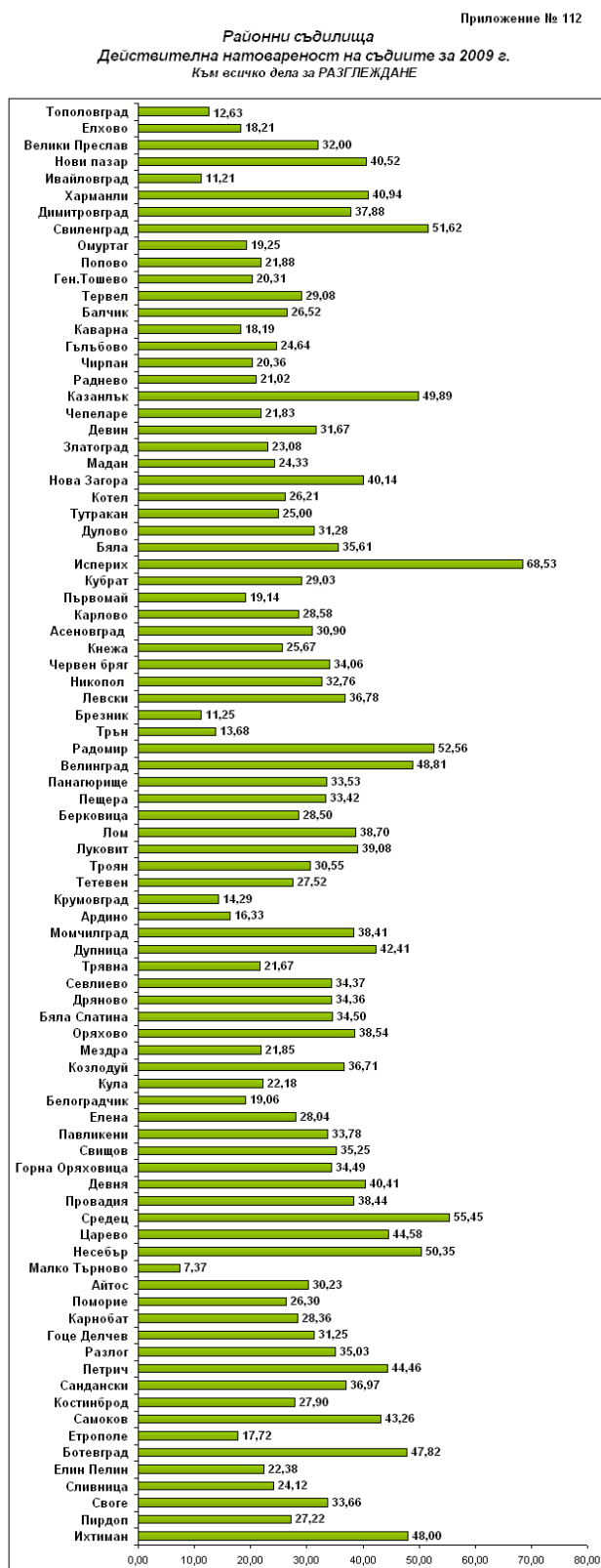
Приложение № 86
Районни съдилища в областните центрове
НАТОВАРЕНОСТ ПО ЩАТ на съдиите за 2009 г.



Приложение № 87
Районни съдилища в областните центрове
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2009 г.



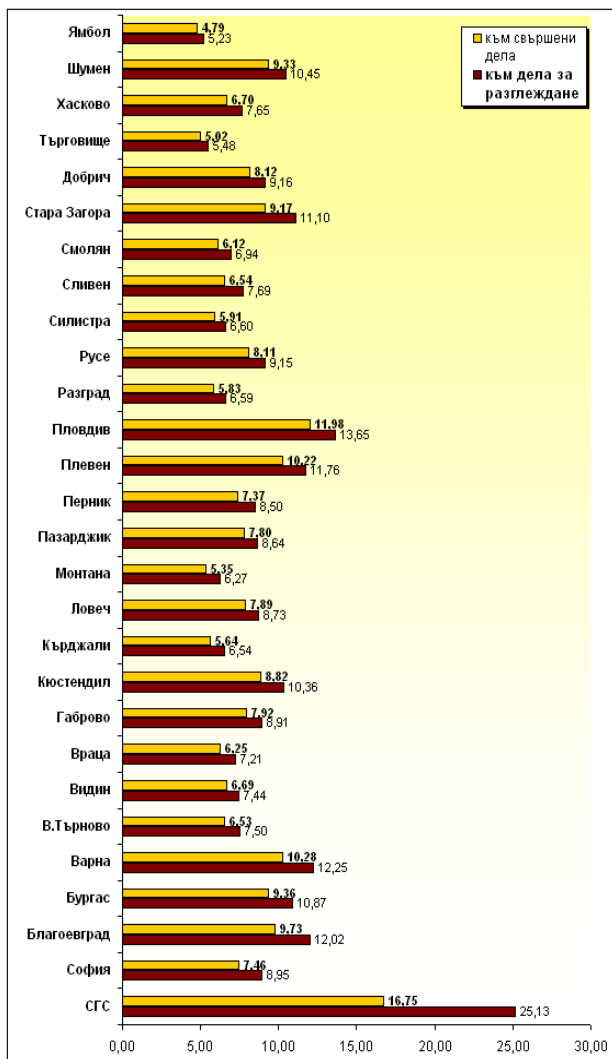
2009: Graph on actual workload in Regional Courts with reference to (1) all and (2) completed cases:



2010: Graph on (1) workload per approved position and (2) actual workload in District Courts with reference to (1) completed cases and (2) all cases:

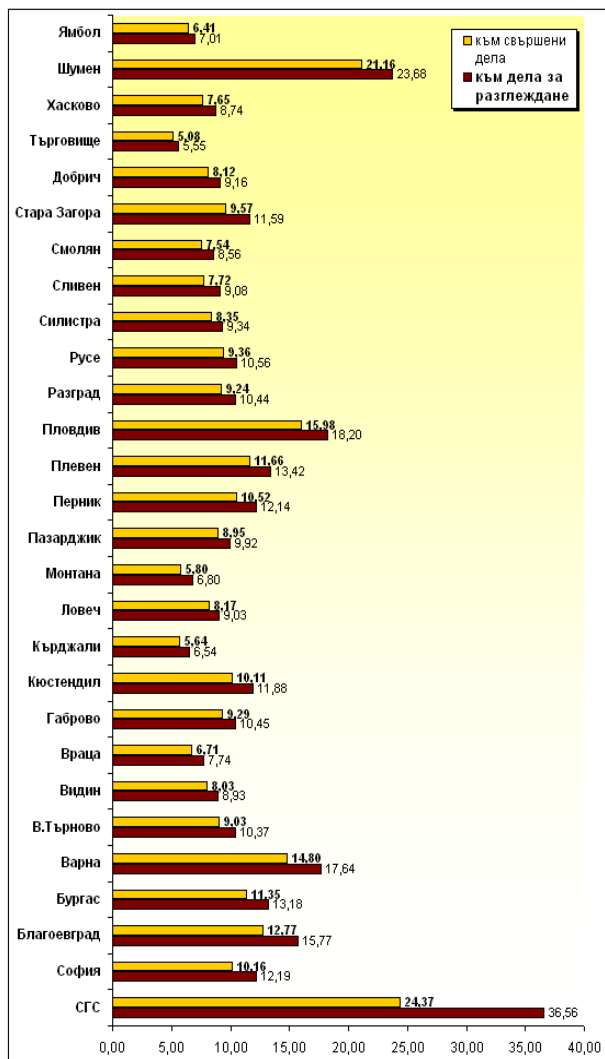
Приложение № 54

Окръжни съдилища
НАТОВАРЕНОСТ ПО ЩАТ на съдиите за 2010 година

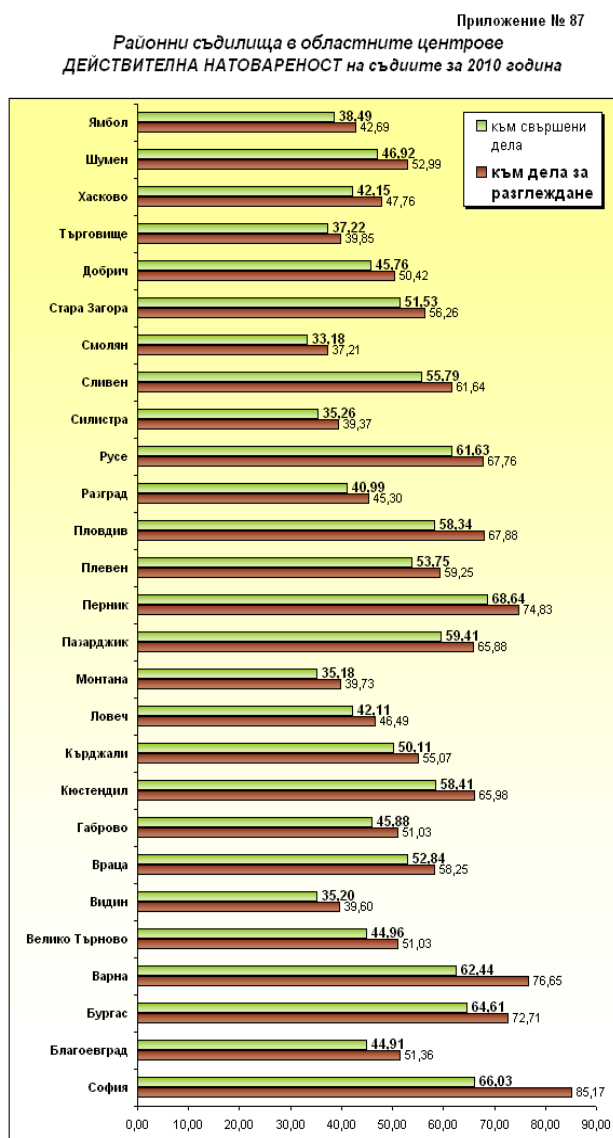
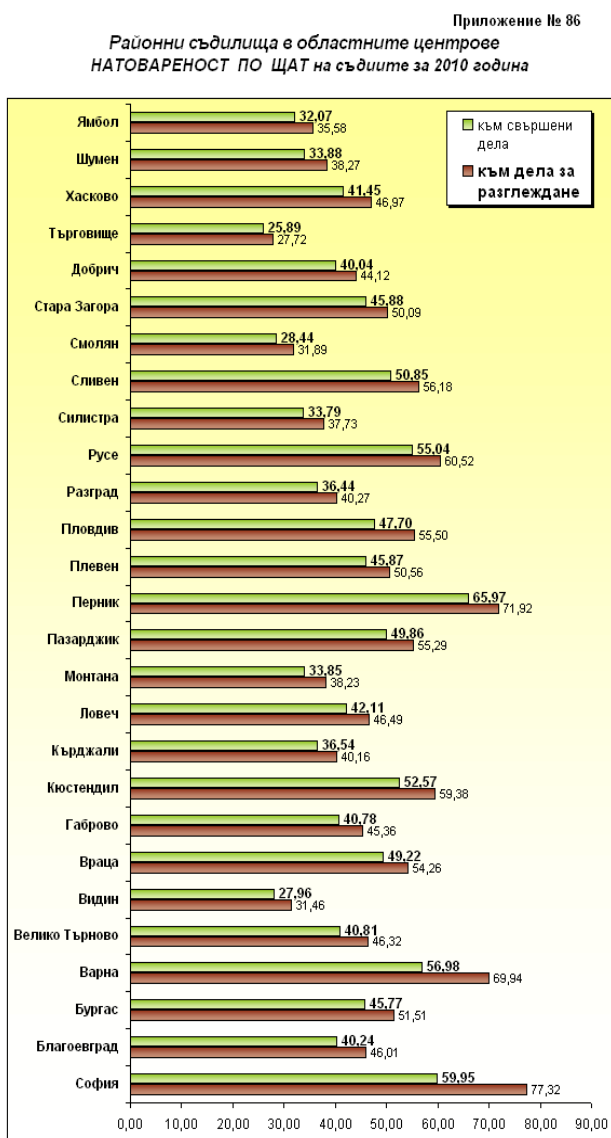


Приложение № 55

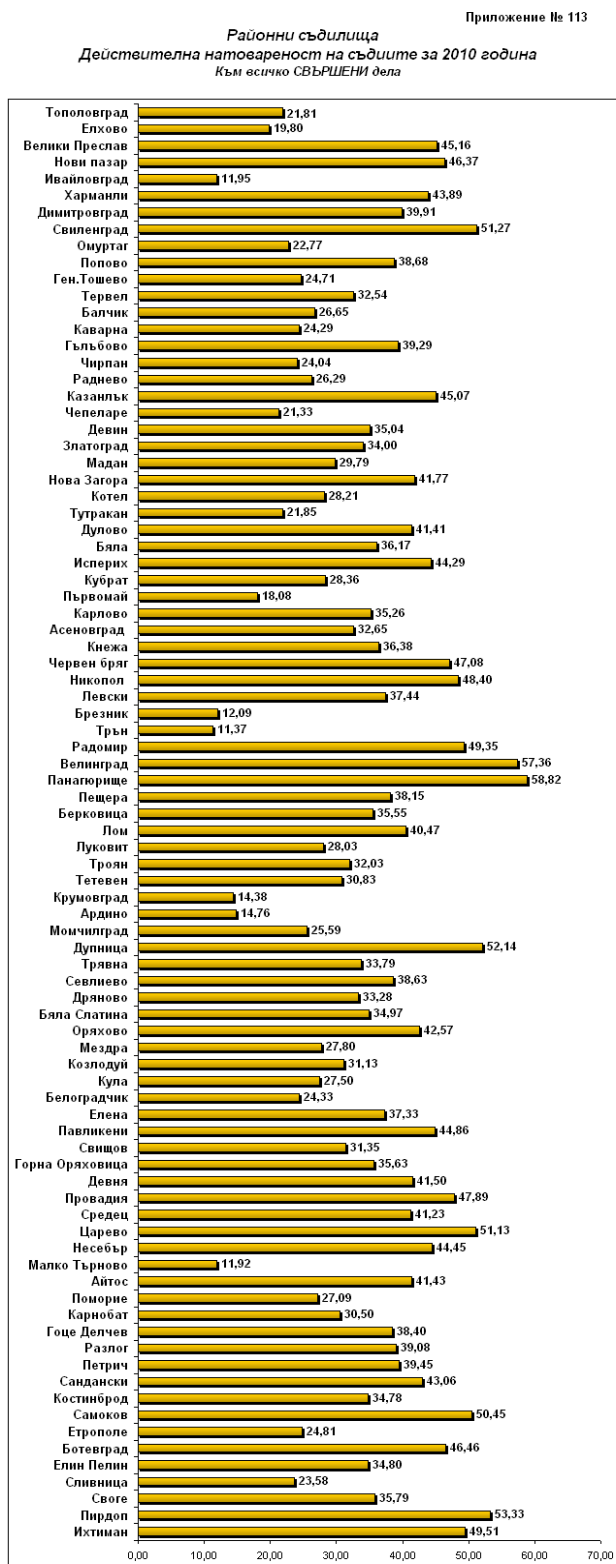
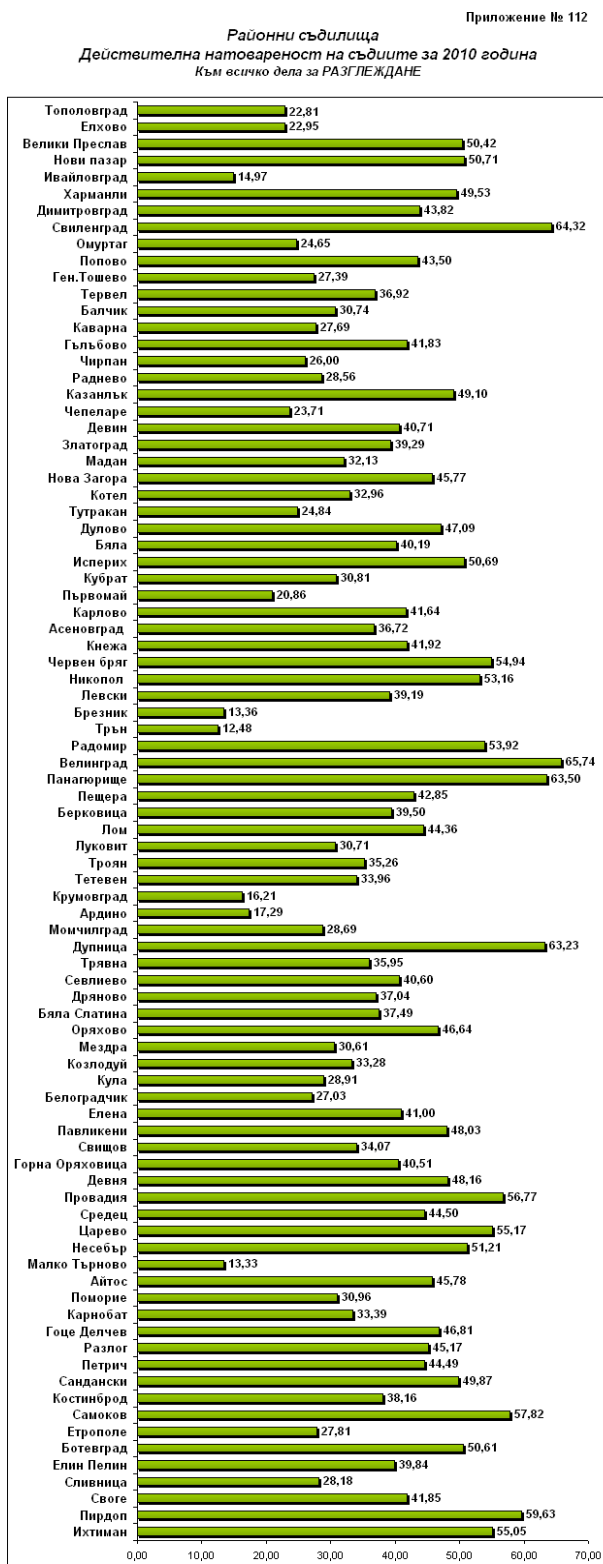
Окръжни съдилища
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2010 година



2010: Graph on (1) workload per approved position and (2) actual workload in Regional Courts in District Towns with reference to (1) completed cases and (2) all cases:



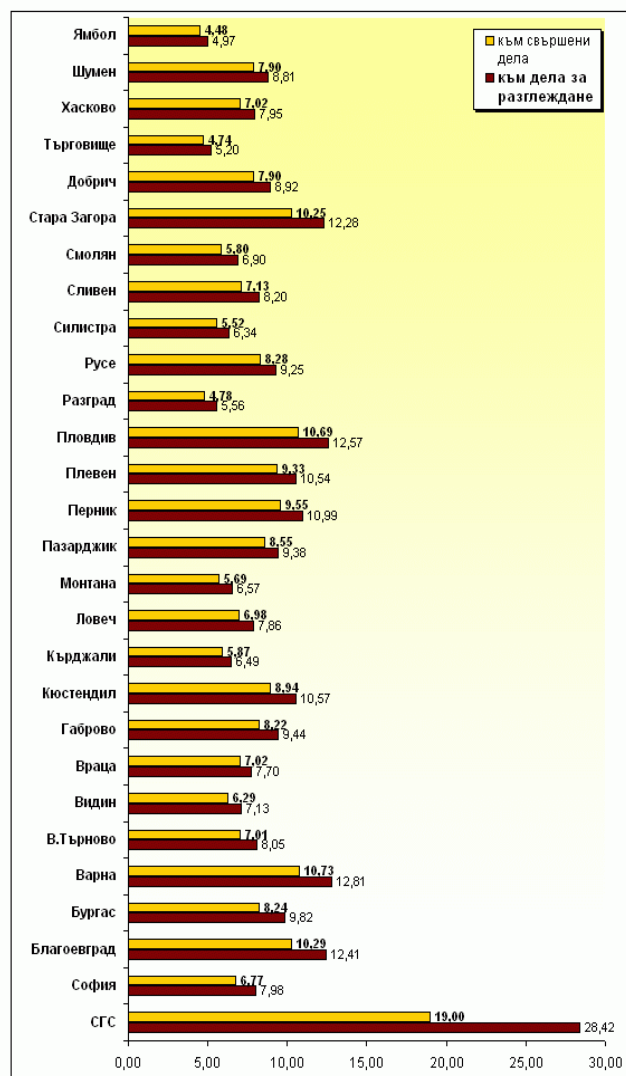
2010: Graph on actual workload in Regional Courts with reference to (1) all and (2) completed cases:



2011: Graph on (1) workload per approved position and (2) actual workload in District Courts with reference to (1) completed cases and (2) all cases:

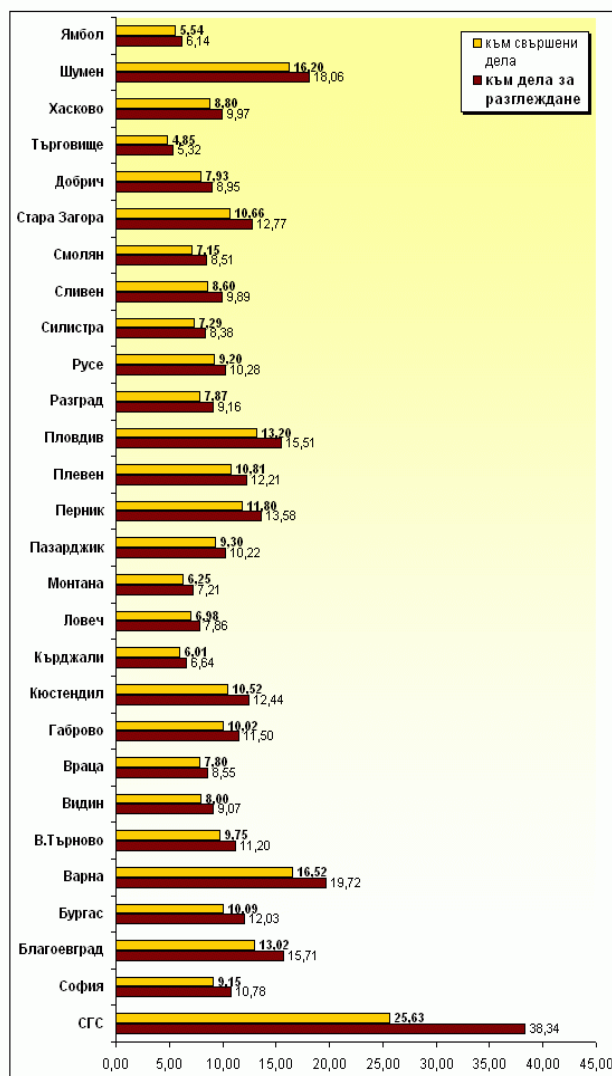
Приложение № 57

Окръжни съдилища
НАТОВАРЕНОСТ ПО ЩАТ на съдиите за 2011 година

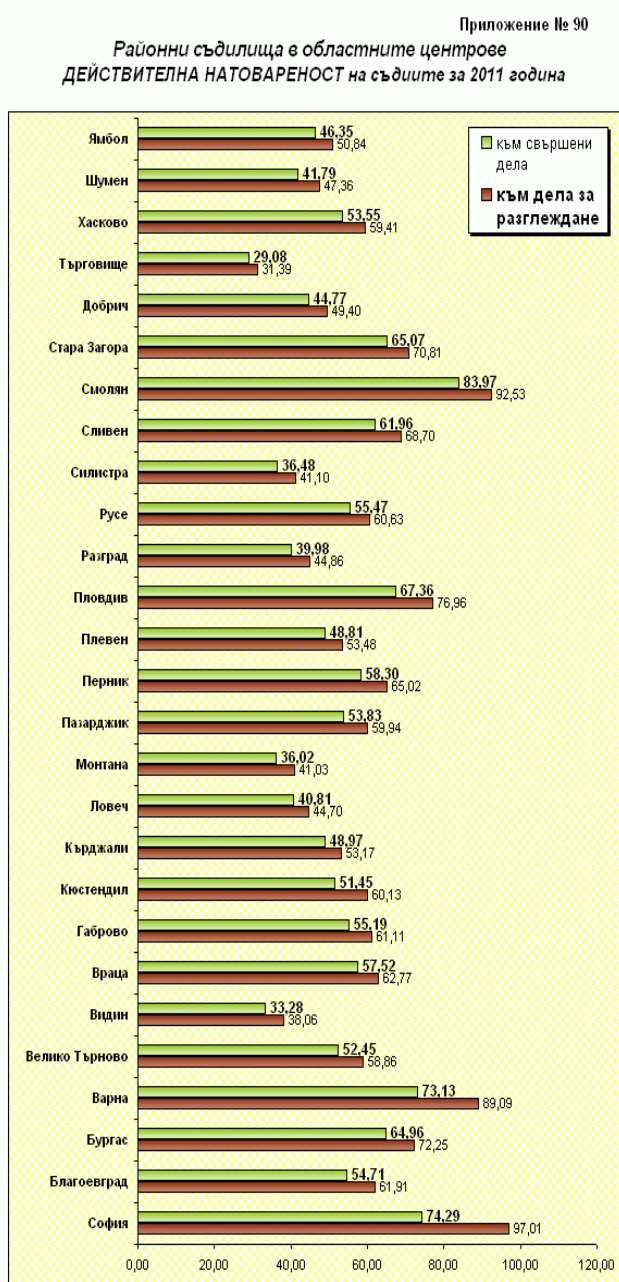
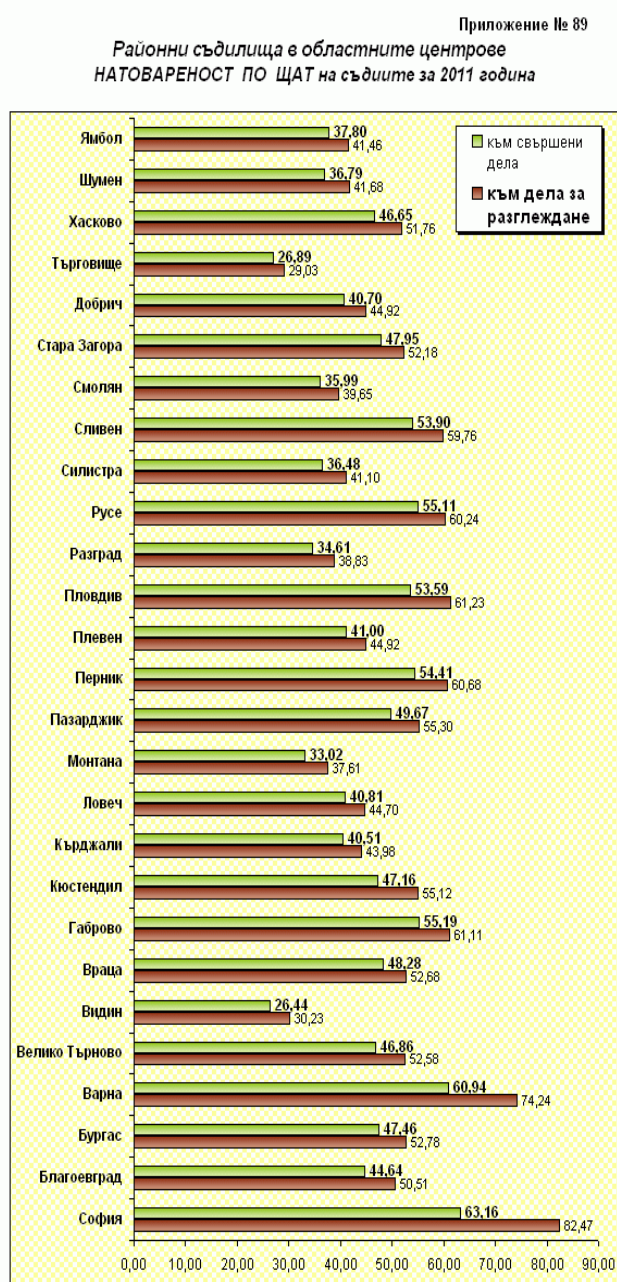


Приложение № 58

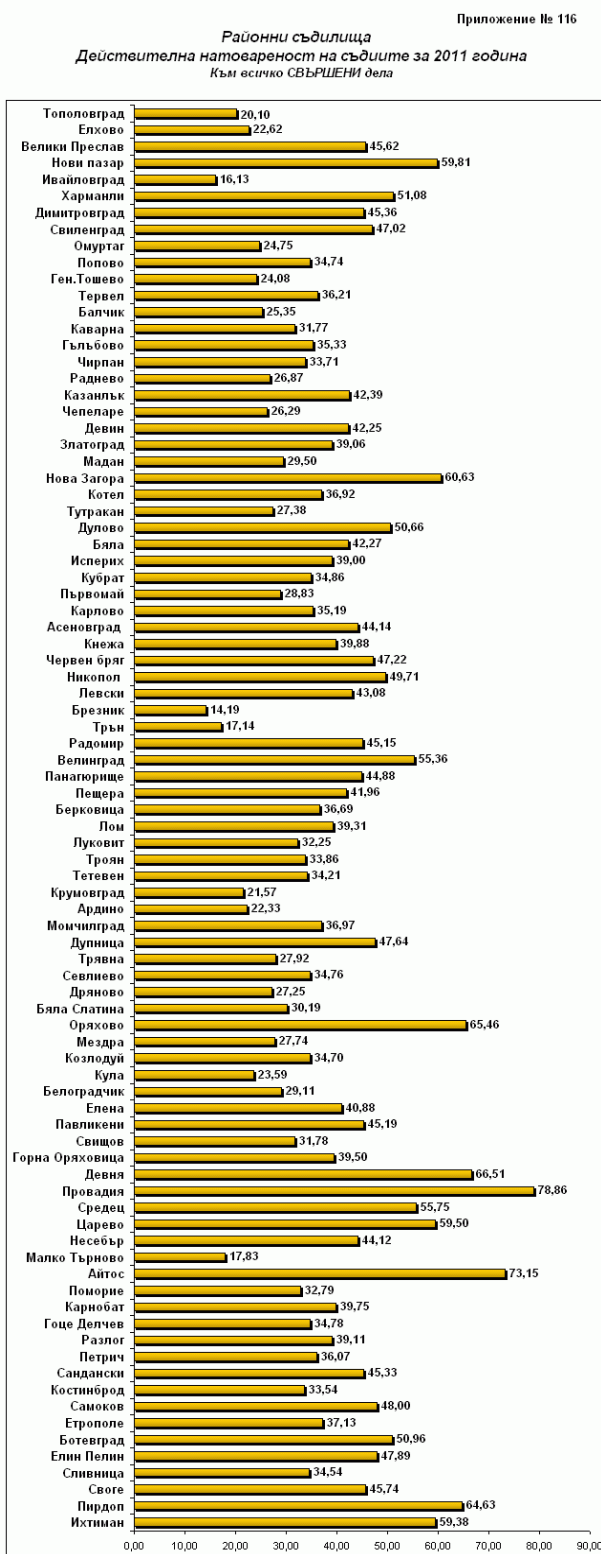
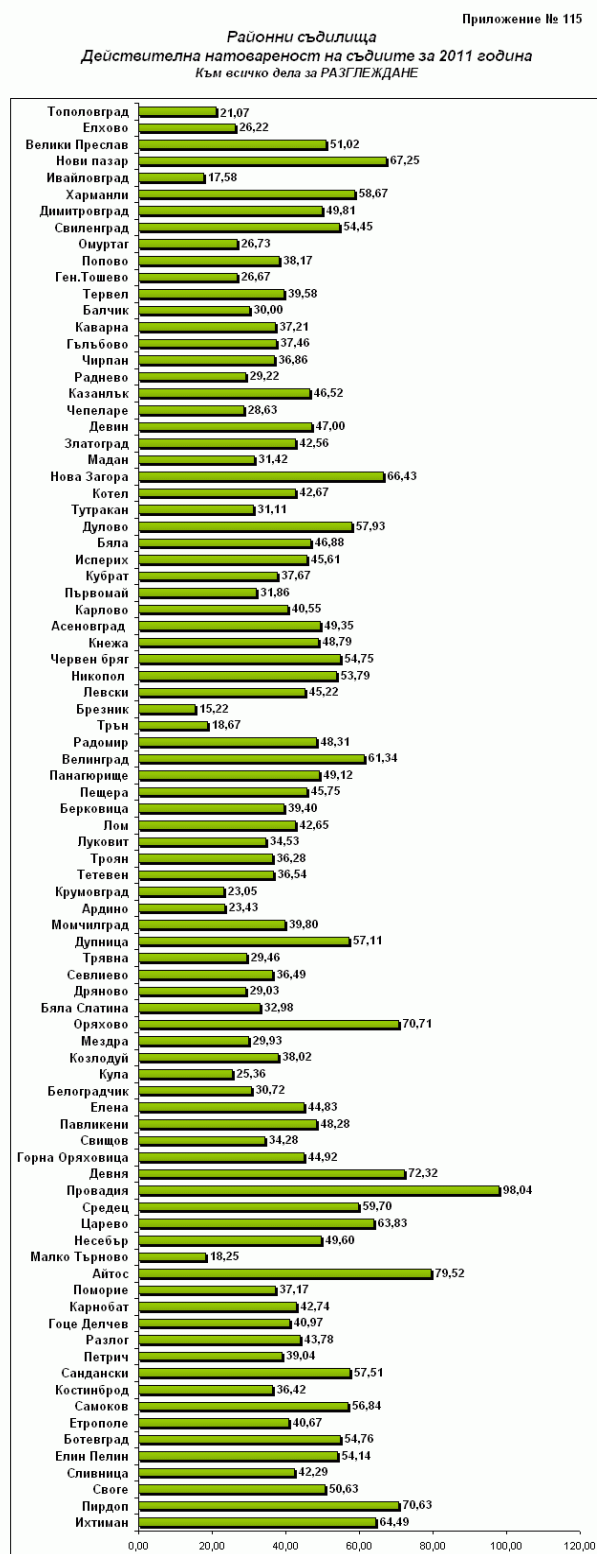
Окръжни съдилища
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2011 година



2011: Graph on (1) workload per approved position and (2) actual workload in Regional Courts in District Towns with reference to (1) completed cases and (2) all cases:



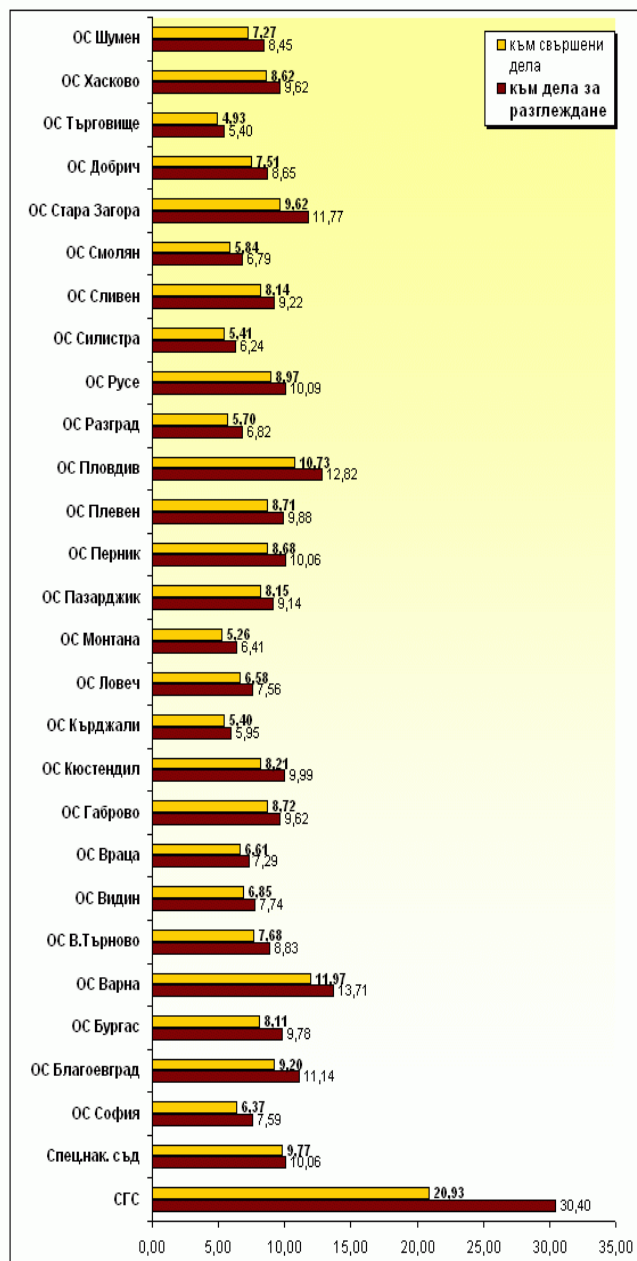
2011: Graph on actual workload in Regional Courts with reference to (1) all and (2) completed cases:



2012: Graph on (1) workload per approved position and (2) actual workload in District Courts with reference to (1) completed cases and (2) all cases:

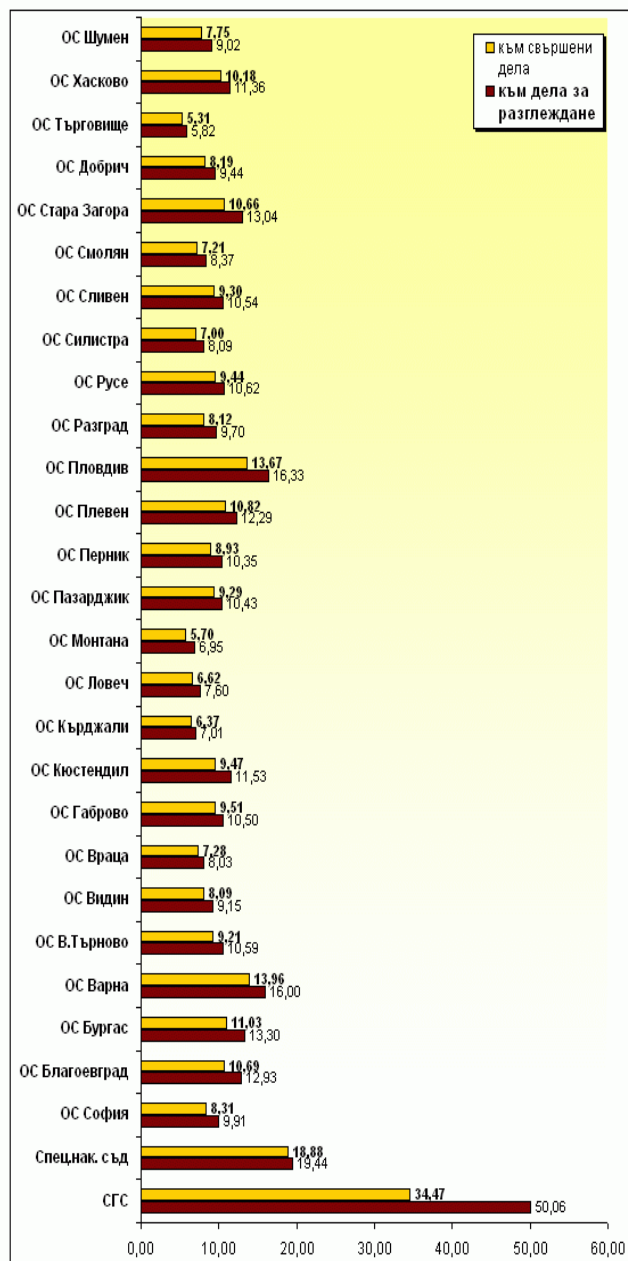
Приложение № 57

Окръжни съдилища
НАТОВАРЕНОСТ ПО ЩАТ на съдиите за 2012 година

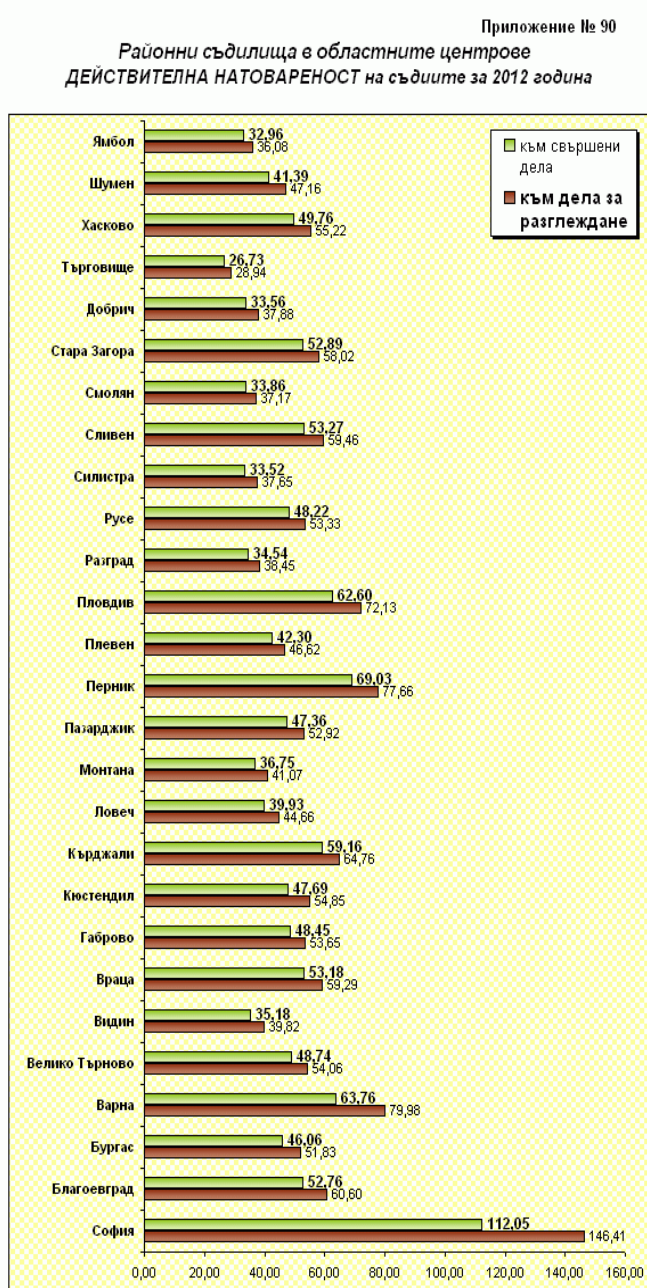
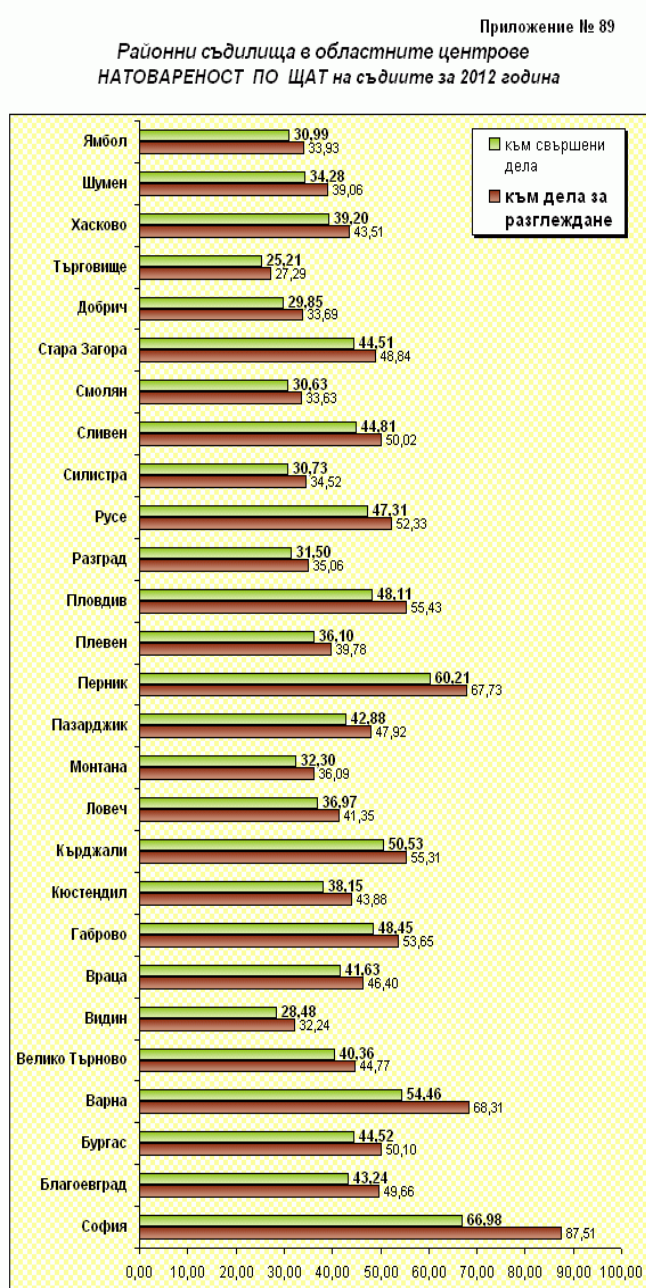


Приложение № 58

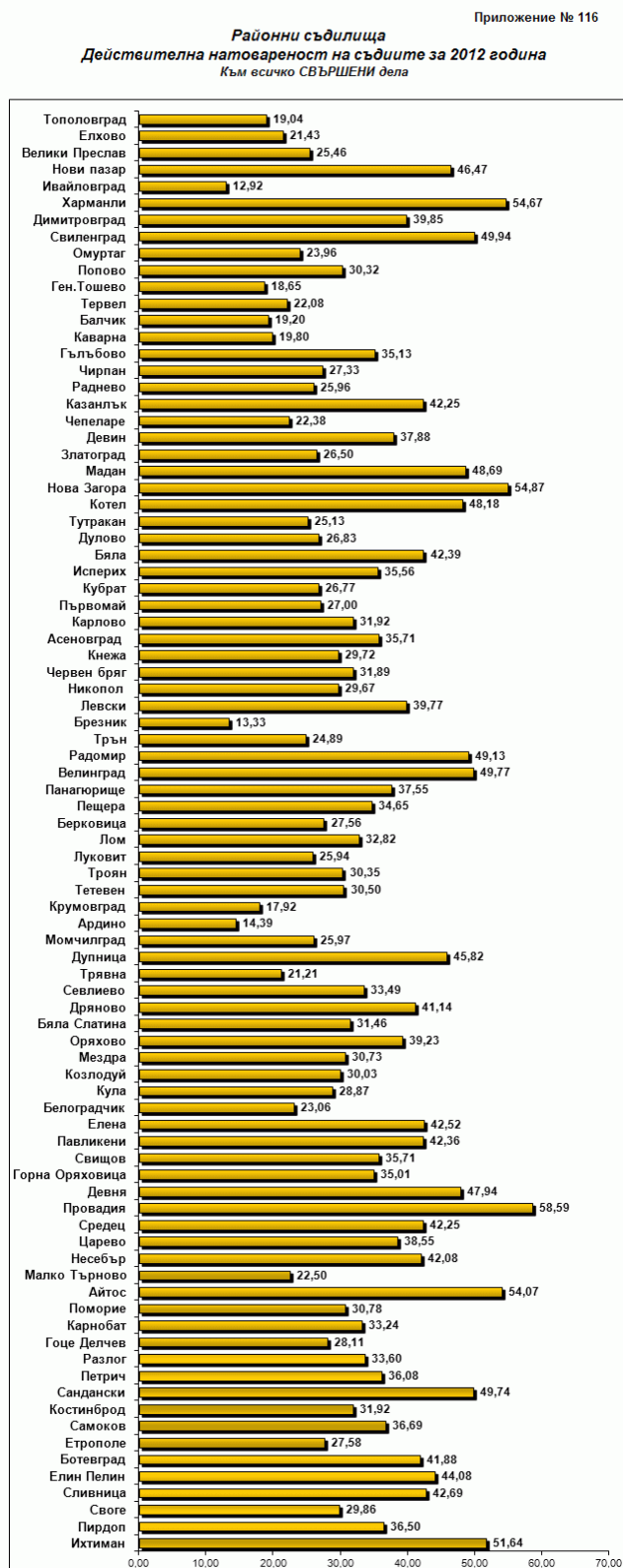
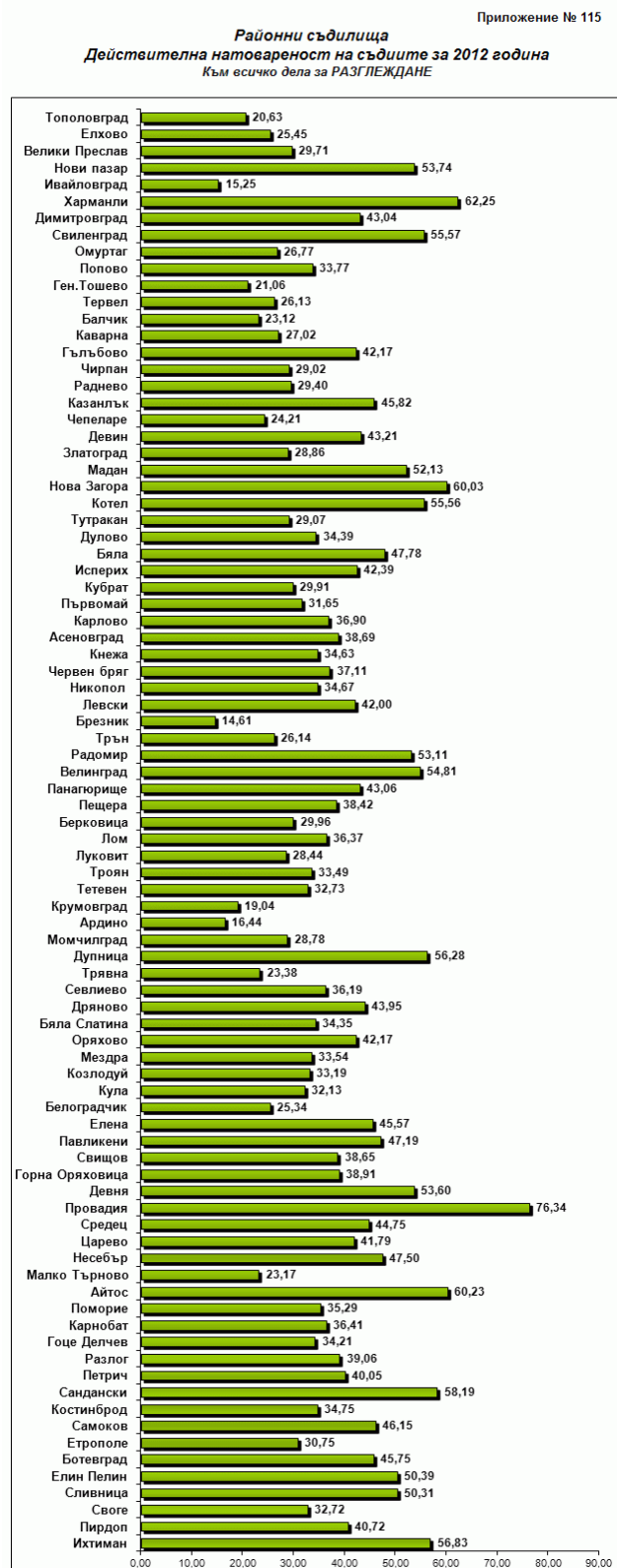
Окръжни съдилища
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2012 година



2012: Graph on (1) workload per approved position and (2) actual workload in Regional Courts in District Towns with reference to (1) completed cases and (2) all cases:



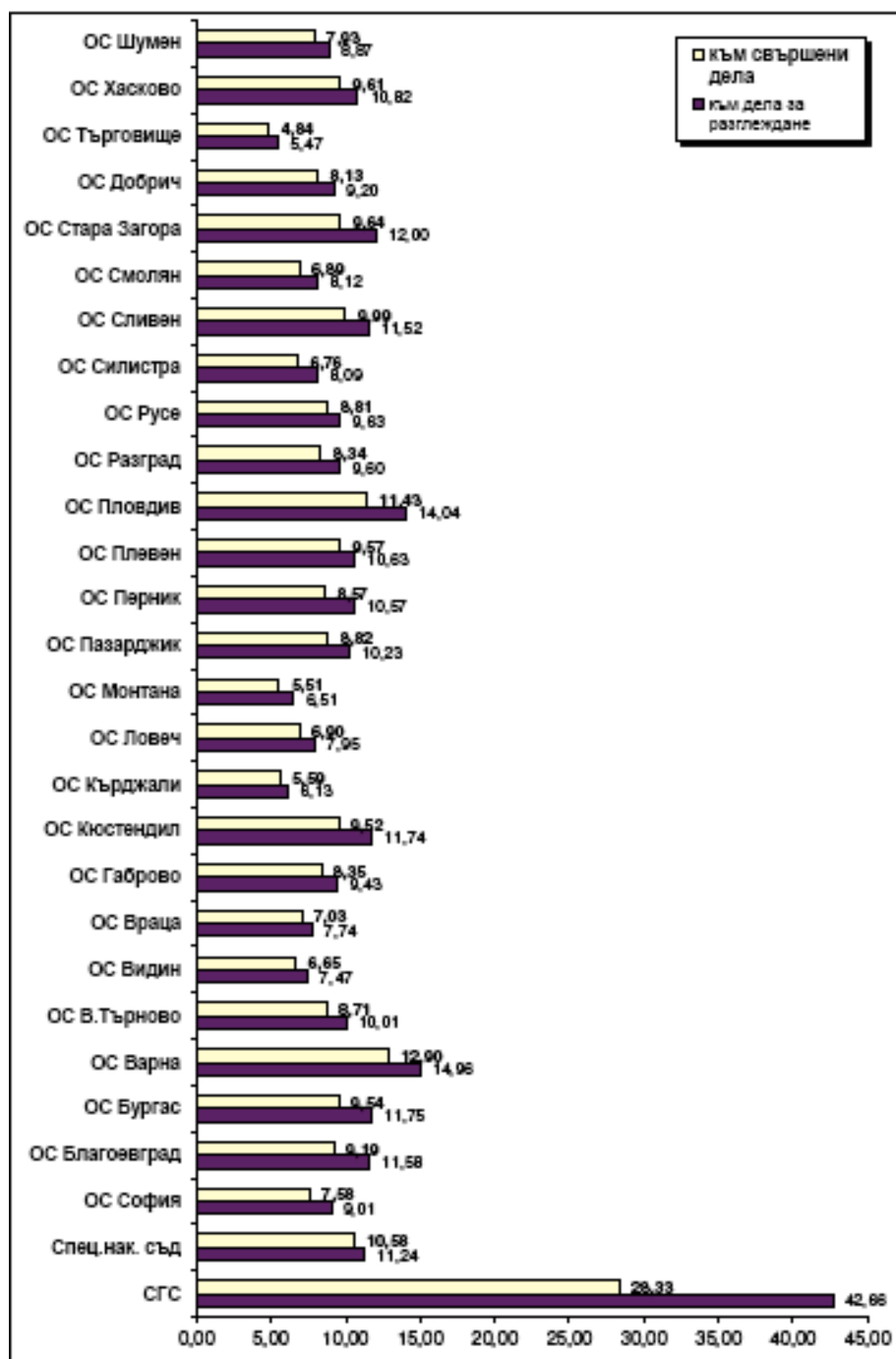
2012: Graph on actual workload in Regional Courts with reference to (1) all and (2) completed cases:



2013: Graph on actual workload in District Courts with reference to (1) completed cases and (2) all cases:

Приложение № 58

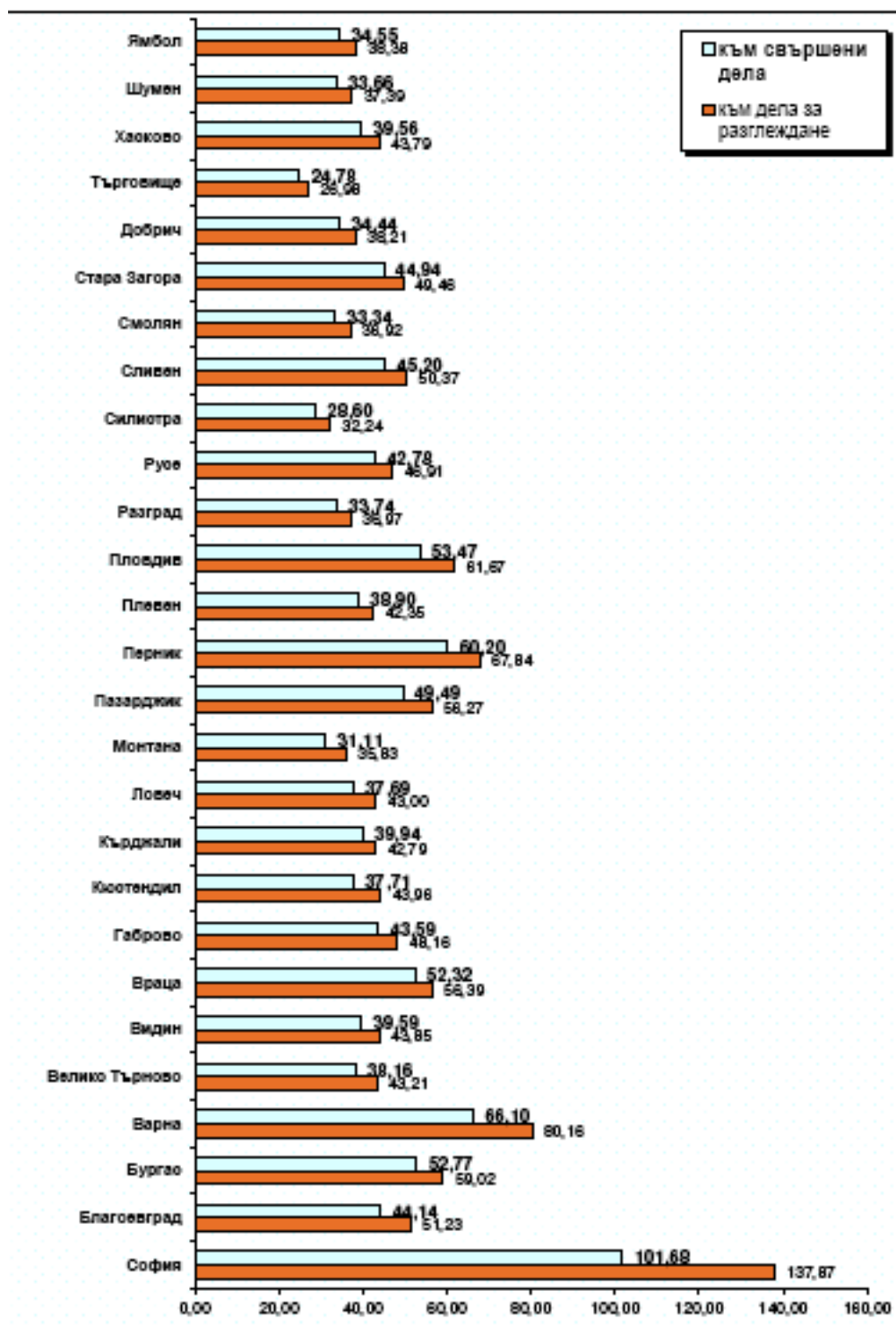
Окръжни съдилища
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2013 година



2013: Graph on actual workload in Regional Courts in District Towns with reference to (1) completed cases and (2) all cases:

Приложение № 90

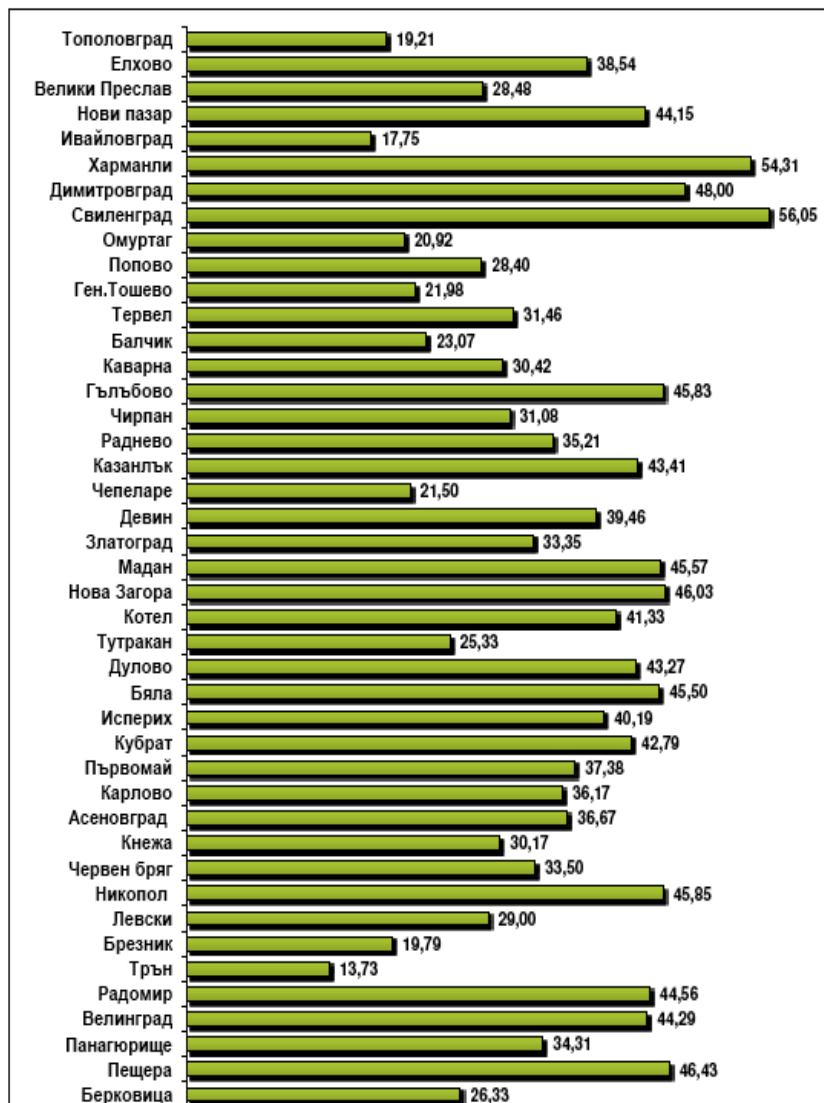
Районни съдилища в областните центрове
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2013 година

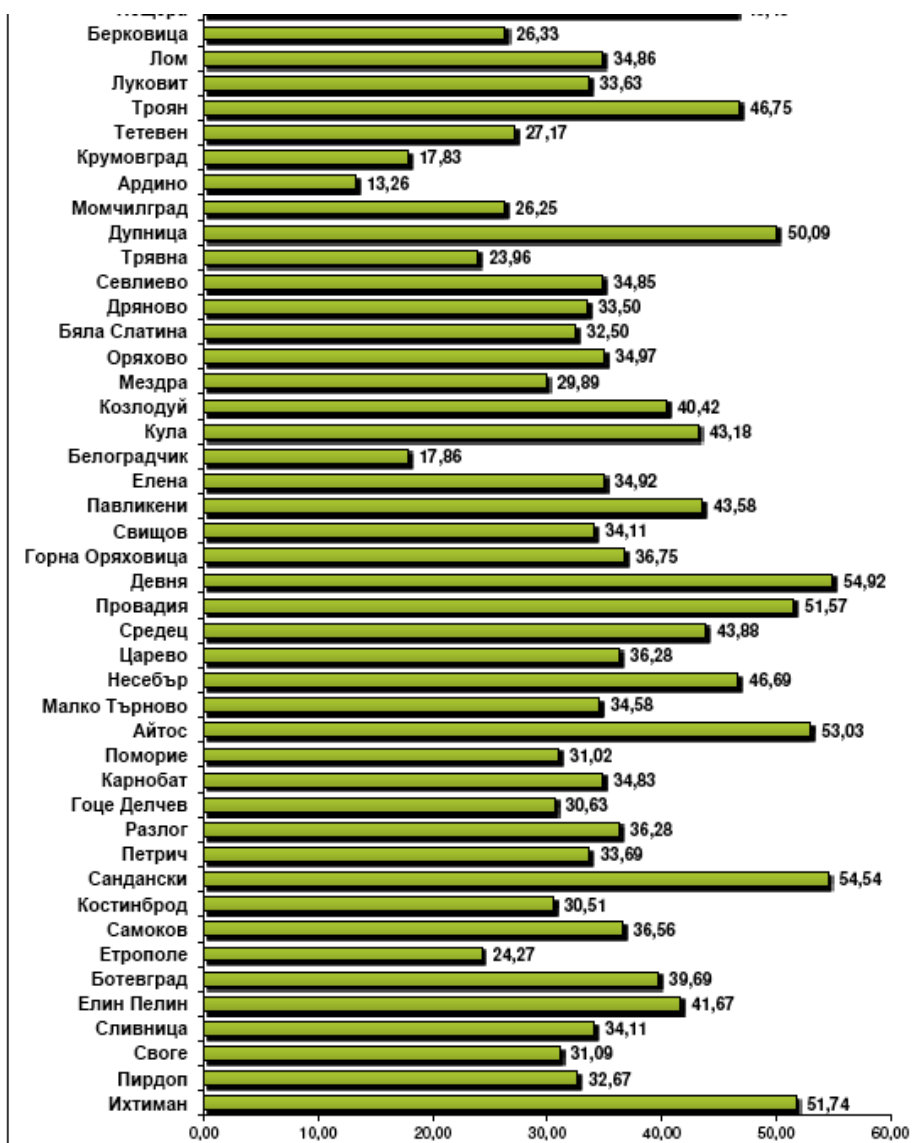


2013: Graph on actual workload in Regional Courts with reference to all cases:

Приложение № 115

Районни съдилища
Действителна натовареност на съдиите за 2013 година
Към всички дела за РАЗГЛЕЖДАНЕ

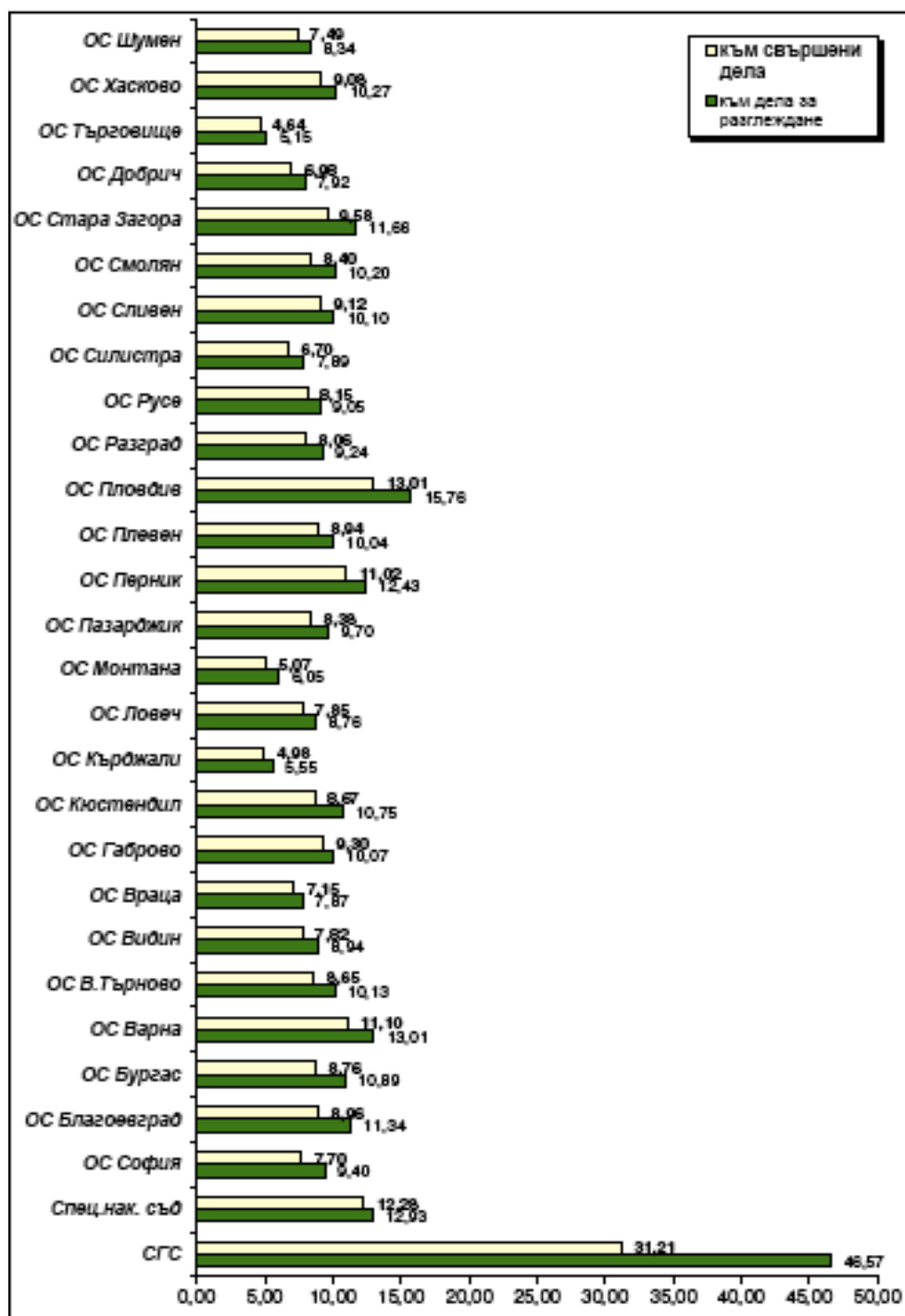




2014: Graph on actual workload in District Courts with reference to (1) completed cases and (2) all cases:

Приложение № 58

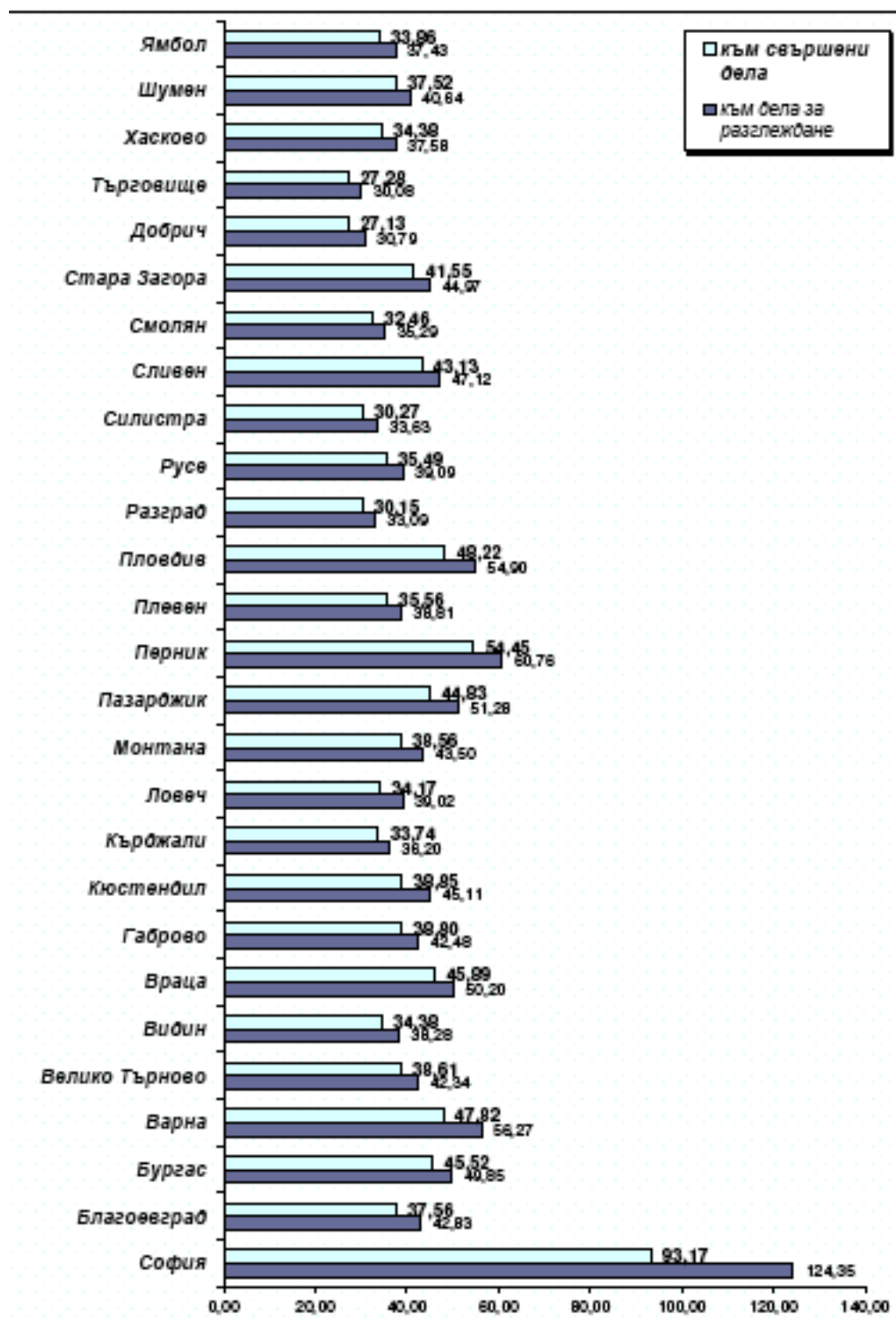
Окръжни съдилища
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2014 година



2014: Graph on actual workload in Regional Courts in District Towns with reference to (1) completed cases and (2) all cases:

Приложение № 90

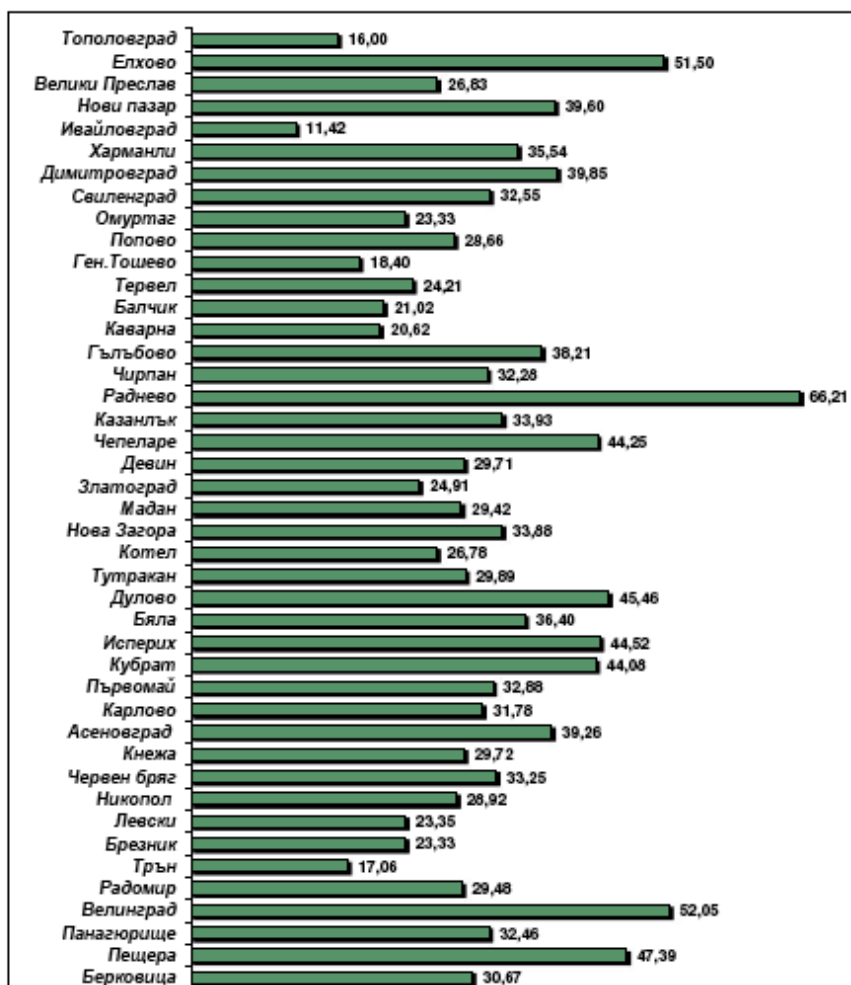
Районни съдилища в областните центрове
ДЕЙСТВИТЕЛНА НАТОВАРЕНОСТ на съдиите за 2014 година

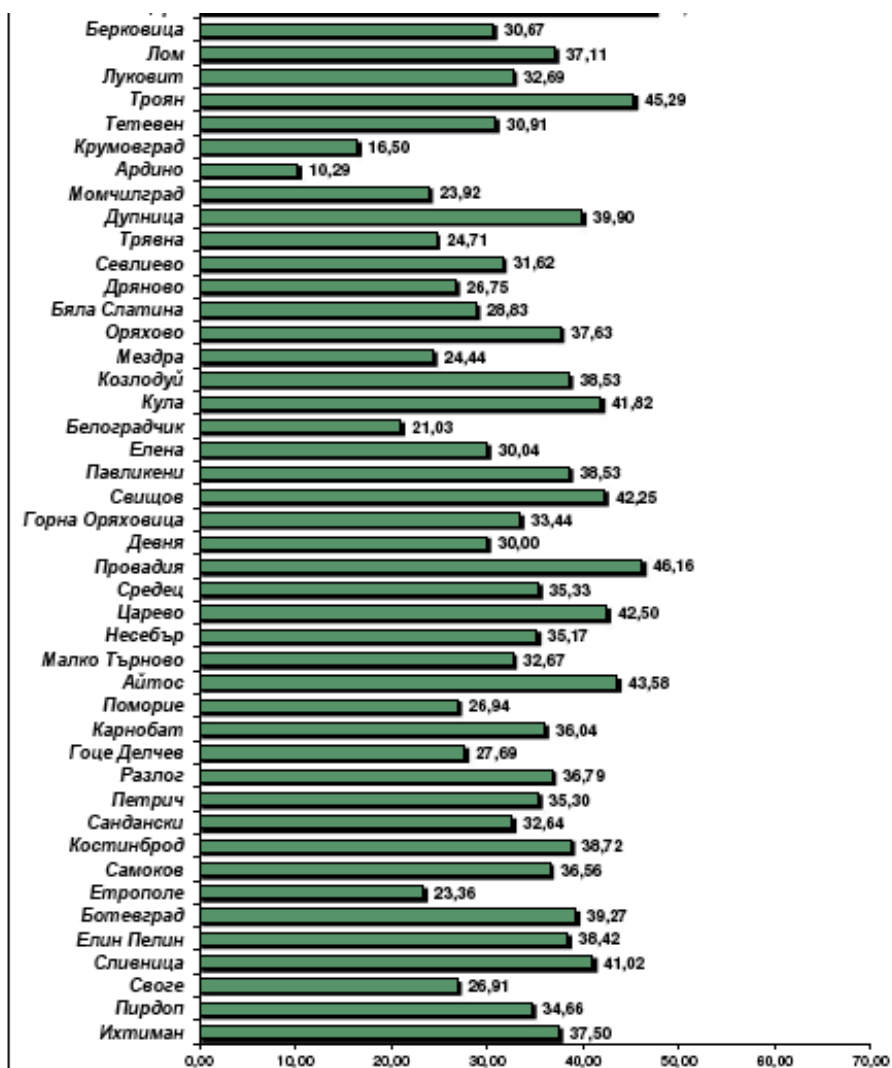


2014: Graph on actual workload in Regional Courts with reference to all cases:

Приложение № 115

Районни съдилища
Действителна натовареност на съдиите за 2014 година
Към всички ДЕЛА за РАЗГЛЕЖДАНЕ





ANNEX 3: Benchmarking of Per Capita State Budget and % of GDP with CoE Member States

(Amount in Euros)

Country	Population	State Budget Allocated to Courts	Per Capita State Court Budget	2014 GDP	State Court Budget as a % of GDP
Austria	8,387,742	NA			
Belgium	10,839,905	NA			
Bulgaria	7,364,570	191,414,387	25.99	42,011,000,000	0.46%
Croatia	4,412,137	62,426,606	14.15	43,085,000,000	0.14%
Cyprus	804,536	49,511,239	61.54	17,506,000,000	0.28%
Czech republic	10,517,247	429,944,098	40.88	154,939,000,000	0.28%
Denmark	5,560,628	NA	-		
Estonia	1,340,194	35,932,954	26.81	19,526,000,000	0.18%
Finland	5,375,276	286,003,350	53.21	204,015,000,000	0.14%
France	65,026,885	NA	-		
Germany	81,751,602	NA	-		
Greece	11,309,885	NA	-		
Hungary	9,986,000	361,822,453	36.23	103,303,000,000	0.35%
Ireland	4,581,269	192,576,000	42.04	185,412,000,000	0.10%
Italy	60,626,442	4,300,429,606	70.93	1,616,048,000,000	0.27%
Latvia	2,229,600	52,833,365	23.70	24,058,000,000	0.22%
Lithuania	3,244,600	80,122,945	24.69	36,288,000,000	0.22%
Luxembourg	511,840	NA	-		
Malta	417,617	12,829,000	30.72	7,962,000,000	0.16%
Netherlands	16,655,799	1,606,309,000	96.44	653,476,000,000	0.25%
Poland	38,200,000	1,677,599,570	43.92	413,133,000,000	0.41%
Portugal	10,636,979	648,844,787	61.00	174,384,000,000	0.37%
Romania	21,431,298	517,675,070	24.16	150,665,000,000	0.34%

Country	Population	State Budget Allocated to Courts	Per Capita State Court Budget	2014 GDP	State Court Budget as a % of GDP
Slovakia	5,435,273	202,196,674	37.20	75,215,000,000	0.27%
Slovenia	2,050,189	197,422,295	96.29	37,246,000,000	0.53%
Spain	45,989,016	NA	-		
Sweden	9,415,570	684,576,783	72.71	430,258,000,000	0.16%
United Kingdom (England/Wales)	55,200,000	1,937,810,000	35.11		
United Kingdom (Scotland)	5,222,100	281,896,020	53.98		
United Kingdom (Northern Ireland)	1,799,392	126,654,000	70.39	2,222,361,000,000	
	276,946,088	13,936,830,202	50.32	6,610,891,000,000	0.21%
EU28 Average	12,588,458.55	633,492,281.91	50.32		

(Source: European Commission for the Efficiency of Justice (CEPEJ) June 2013)

Bulgaria is dedicating almost 26 euros per capita for the operation of the judiciary compared to over an average of over 50 euros per capita for all EU Member States. Of the new Member States Hungary, Poland, Slovakia and Slovenia are spending more per capita than Bulgaria. The rest of the former Eastern European countries in the EU are spending similar amounts as Bulgaria on their judicial system.

Per Capita State Court Budgets and % of GDP of EU Candidate and Potential Candidates

Country	Population	State Budget Allocated to Courts	Per Capita State Court Budget	2014 GDP	Court State Budget as % of GDP
CANDIDATE COUNTRIES					
Iceland	318,452	8,286,532	26.02	12,854,000,000	0.06%
FYR Macedonia	2,057,284	33,282,618	16.18	8,123,000,000	0.41%
Montenegro	620,029	25,120,882	40.52	3,149,000,000	0.80%
Serbia	7,120,566	133,625,333	18.77	33,059,000,000	0.40%
Turkey	72,561,312	NA			
POTENTIAL CANDIDATE COUNTRIES					
Albania	3,195,000	19,454,578	6.09	8,975,000,000	0.22%
Bosnia and Herzegovina	3,843,126	89,700,564	23.34		
Average for candidate countries	17,154,457	309,470,507	18.04	66,160,000,000	0.47%

(Source: European Commission for the Efficiency of Justice (CEPEJ) June 2013).

Montenegro is the only candidate country that is spending more as a percent of per capita GDP than Bulgaria on their judicial system. In contrast, Iceland is spending considerable less than Bulgaria.

ANNEX 4: Benchmarking of Salaries of Judiciary with other COE Member States

Country	Gross Wages of a Judges at a Supreme Court (euros)	Gross Wage of a Judge Compared to the National Gross Average Annual Wage	Gross Wages of Judges at Court of First Instance(Euros)	Gross Wage of a Judge Compared to the National Gross Average Annual Wage
Romania	43 865	8.2	25 750	4.8
Bulgaria	22 177	7	10 230	3.2
Croatia	65 592	5.2	30 396	2.4
Bosnia and Herzegovina	38 108	5.1	22 936	3.1
Serbia	22 514	4.2	13 595	2.5
Hungary	37 986	4.1	18 252	2
Albania	14 700	3.9	7 350	1.9
Montenegro	32 202	3.8	24 142	2.5
Greece	87 240	3.6	32 704	1.3
Slovenia	57 909	3.2	28 968	1.6

(Source: European Commission for the Efficiency of Justice (CEPEJ) June 2013)

It is evident from Table that both gross wages of a Supreme Court judge and a first instance judge in Bulgaria are lower than most of other EU member states. The only country paying a lower wage to its judges than Bulgaria is Albania. However, the ratio of gross wages of a judge in comparison to the gross average wage is one of the highest in Bulgaria and it is second only to Romania. So relative to local Bulgarian workers, Bulgarian judges are well paid.