Executive Summary

This publication is a product of Workstream 4, Justice Financing, of the <u>Justice Action Coalition</u>. The work was carried out under the overall coordination of Pathfinders for Peaceful, Just and Inclusive Societies. The principal drafting of the text was undertaken by ODI and HiiL, whose technical expertise and contributions were central to the preparation of this publication.

What the Justice Financing Framework Is, Who It's For, and Why It Matters

A quick overview to introduce the Justice Financing Framework to ministers and senior policymakers on country-level justice financing and budgeting.

The Justice Financing Framework (JFF) guides country-level justice financing and budgeting. It supports justice sector decision makers and executives on good practice including revenue sources, defining priorities, and increasing the effectiveness of money spent.

The JFF is grounded in current budgeting and political realities. The justice sector is competing for resources in a changing global environment, including from the security sector. In lower-income countries, aid to justice is on a declining trajectory. In line with the experience of other sectors, such as health and education, increases in government resources for the justice sector are likely to be incremental and achieved mainly through increased gross domestic product (GDP) growth.

Within this challenging funding environment, the JFF aims to ensure that countries' primary front line justice needs are met. Every country needs to provide basic security and justice for families: at work; in relation to housing and land; for their businesses; and in their communities and markets for essential goods and services. Delivering on these requirements is a foundation for stability, economic growth, and trust in government.

Accordingly, the JFF provides practical and technical guidance, assisting justice sector decision makers and executives to align funding priorities with justice needs. It draws on the successes of the health and education sectors that have over the past 25 years allocated resources to scale up front line services to millions of people.

Policy Recommendations

The starting point of the JFF is a focus on what matters most to people: solving their justice problems. The JFF proposes the development of clear, measurable outcomes (e.g., halving the number of unresolved justice problems). The JFF then considers **how to secure 'more money for justice'**—i.e., justice sector funding sources—and the scope to increase available funding. Important opportunities exist for the justice sector to generate more funds to address delivery challenges. Drawing on relevant international experience may provide opportunities to increase contributions for justice services from well-capitalized beneficiaries, while also calibrating contributions to avoid charges that lead to access barriers. There is also scope to increase private sector investment in justice. The creation of an enabling environment for private sector entrepreneurs to obtain an

adequate return on investments can, for example, enable the delivery of justice at scale with appropriate risk management.

The pace at which additional resources can be secured will depend on the country context. To ensure their achievability and accountability, implementation plans need to be costed and prioritized to fit within realistic medium-term expectations of total available resources.

The JFF also addresses 'more justice for the money'—the smart deployment of resources to ensure available funds can deliver the maximum justice outcomes. This involves considering what is funded, and also how budgeting is done to ensure those funds are used efficiently and effectively and focused on people-centred outcomes in a resource-constrained environment. Guidance is provided on how to develop plans and budgets aimed at resolving people's most pressing justice problems (rather than the needs of justice institutions).

Financing Ambitions

In addition, the JFF establishes four financing ambitions for countries' justice sectors, providing a quantitative framework for first steps in re-balancing budgets toward people-centered justice in the medium term. These financing ambitions sit alongside the JFF policy recommendations' guidance on ensuring funds are well spent. Their ultimate aim is to align funding with the overall objective of resolving people's justice problems.

Financing Ambition #1: Set justice spending in line with cross-country benchmarks.

• The justice sector should review the share of government budget allocated to it in light of the international benchmarks set out in the JFF.

Financing Ambition #2: Ensure focus on people-centered justice with a minimum recommended level of spending¹ on primary front line services.

 Addressing currently unresolved justice needs will involve re-focusing justice services on universal coverage of primary front line services. This follows the transformation achieved in the health and education sectors over the last 25 years through prioritizing nationwide primary services in order to improve health and education outcomes.

Financing Ambition #3: Within primary front line services, prioritize information, advice, assistance, and informal dispute resolution, with a minimum spend of 2.5 percent of total justice expenditure.

Currently, spending on primary front line justice is unbalanced, with the vast
majority of funding going to formal mechanisms for addressing justice problems.
This is despite evidence that information, advice, assistance, and informal dispute
resolution services at the community level are highly effective, low cost, and can
bridge a justice gap that is too wide to be addressed through traditional, formal

approaches. Informal dispute resolutions are among the strongest evidence-based resources providing the best value for money across all sectors globally.

Financing Ambition #4: Allocate a minimum 0.5 percent of total justice expenditure to research and development and other mechanisms to drive performance improvements.

• Overcoming widespread delivery challenges in the justice sector will require enhanced spending on improved governance and regulation; monitoring; research and development; innovation; and implementation of evidence-based practice.

For countries in receipt of significant external development support, there is an additional financing ambition: that 2 percent of external development support should be allocated to the justice sector, with half of justice support allocated to primary front line services, research and development, and other mechanisms to drive performance improvements.

International Context

The Justice Financing Framework (JFF) was commissioned by the Justice Action Coalition as part of their commitment in the 2019 Hague Declaration² and the May 2022 Ministerial Outcome Document³ to put people and their legal needs at the center of justice systems, solve justice problems, improve the quality of justice journeys, use justice for prevention, and provide people with means to access services and opportunities.

The JFF is framed around recent and practical thinking on people-centered justice including the 2023 OECD Recommendation on Access to Justice and People-centred Justice. Overall, it is clear that people-centered justice cannot be achieved with business as usual. It will instead involve a transition toward new approaches focused on service delivery at the community level, and is likely to involve sectoral and regulatory reform, along with enhanced research and development.

With its strong focus on outcomes, the JFF is closely aligned with the Justice Action Coalition's *People-Centered Justice Measurement Framework*, which provides global outcome indicators for people-centered justice.

¹ Based on spend per capita and share of total spend.

² Justice Action Coalition, *Hague Declaration on Equal Access to Justice for All by 2030*, February 7, 2019, https://www.sdg16.plus/resources/hague-declaration-on-equal-access-to-justice-for-all-by-2030.

³ Justice Action Coalition, *Ministerial Meeting of the Justice Action Coalition*, May 30, 2022 (Outcome Document), https://www.sdg16.plus/resources/mid-way-through-the-2030-agenda-translating-ambitions-into-actions-through-people-centered-justice.