

2025 | Background Brief 2.2

Justice Financing Framework

A Guide to Budgeting and Financing for
People-Centered Justice for the Justice Sector





BACKGROUND BRIEF 2.2

2.2 Judicial System's Share of Total Government Expenditure



Introduction

The Justice Financing Framework proposes that countries should, in addition to considering spending on the justice sector as a whole, review the share of government budget allocated to the more narrowly defined 'judicial system' (which comprises the court system, prosecution services, legal aid, and other state funding for legal advice and representation).¹⁴ The review should be undertaken in light of international benchmarks.

This background brief:

- Sets out the cross-country benchmarks and explains how they have been derived.
- Discusses patterns of allocations common to judicial systems across all country income groups.

1. The Benchmarks for Judicial System Spending

1.1 Background to the benchmarks

This background brief considers domestic budget allocations to a subset of the justice sector: the 'judicial system.' As with the 'justice sector,' the 'judicial system' has an internationally agreed definition (discussed below). In summary, the judicial system includes the court system, prosecution services, legal aid, and other state funding for legal advice and representation.

Budget allocations to the judicial system are of interest because of the critical and central role of the judiciary in the administration of justice, and in providing front line justice services. While judiciary are constitutionally independent (and often have special budgetary arrangements to ensure this), they can be key actors/drivers of change for the whole sector. In some countries, as well as providing front line dispute resolution services through the lowest tier of the formal courts, the judiciary also takes a keen interest in the performance of customary and informal justice systems, and the development of innovative approaches (such as alternative dispute resolution mechanisms).

¹⁴ United Nations (UN)/Organisation for Economic Co-operation and Development (OECD)/International Monetary Fund (IMF) definition.

The benchmarks are intended to provide a framework for considering what levels of spending on the judicial system seem reasonable and are in line with what other countries are spending as a proportion of their total government expenditure. The benchmarks are not prescriptive, but rather a starting point for discussion between the organizations comprising the judicial system (most importantly the judiciary) on the one hand and the Ministry of Finance on the other. The ultimate aim is to define the level of resourcing from public funds available to the judicial system.

1.2 Global data on the judicial system's share of total government expenditure

Table 1 below sets out the average (median) share of total government expenditure on the judicial system across all country income groups. The benchmark is based on ODI Global's analysis of current patterns of spending in 130 countries. The spending of most countries in each income group lies within the benchmark below.

Table 1: Cross-Country Benchmarks for Judicial Systems' Share of Total Government Expenditure

Country Income Group	Benchmarks
Low-income countries	0.8–2.0% (median 1.4%)
Lower-middle-income countries	0.7–1.7% (median 1.0%)
Upper-middle-income-countries	0.7–1.7% (median 1.0%)
OECD countries	0.5–0.8% (median 0.7%)

* This includes the judiciary, the court system, prosecution services, legal aid, and other state funding for legal advice and representation (UN/OECD/IMF definition).

The range and the median figures in Table 1 above provide a broad indication of norms, and can be used as a starting point for discussion with the Ministry of Finance, particularly if a country's allocation to justice is at or below the lower end of the range.

For detail on variations in spending on justice within the different country income groups, see Annex Section A1.

1.3 Definitions and where the data comes from

A standard definition of the judicial system is used to ensure cross-country consistency: the OECD/IMF/UN agreed classification of Functions of Government (COFOG)¹⁵ category 7033 law courts. This covers:

- Administration, operation, or support of civil and criminal law courts and the judicial system, including enforcement of fines and legal settlements imposed by the courts and operation of parole and probation systems.
- Legal representation and advice on behalf of the government or on behalf of others provided by the government in cash or in services.
- Includes: administrative tribunals, ombudsmen, etc.

The data comes from standard internationally-recognized sources (supplemented by country-level data) and uses standard internationally-recognized definitions.

Data on domestic budgets is obtained primarily through the IMF, supplemented by ODI Global data gathered from countries' budget websites. The full dataset is available from ODI Global on request.

Domestic budgets mean government funds from all sources: tax (national and subnational) but also loans and on-budget aid.¹⁶

2. Common Patterns of Allocations to the Judicial System Across All Country Income Groups

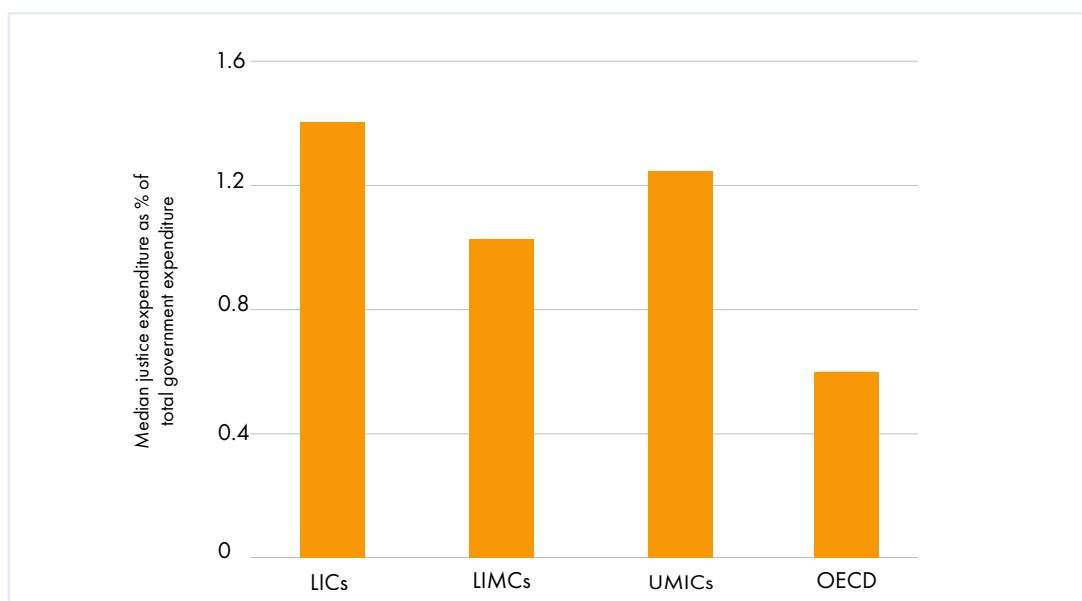
2.1 Non-OECD countries allocate more to judicial systems

As is the case for spending on the total justice sector, most low- and middle-income countries spend more on the judicial system than OECD countries, spending on average 1.2 percent of total government expenditures (median) compared to the OECD figure of 0.7 percent (Figure 1).

¹⁵ COFOG, which stands for the Classification of the Functions of Government, is an international standard used to classify government expenditure by purpose of spending. This helps break down government outlays into different categories like general public services, defense, and education. The classification was developed by the Organization for Economic Co-operation and Development (OECD) and published by the United Nations Statistical Division.

¹⁶ For a full explanation of the data, see Marcus Manuel et al. "Justice financing 2024 annual review: domestic financing and aid." *ODI Global*, December 6, 2024, <https://odi.org/en/publications/justice-financing-2024-annual-review-domestic-financing-and-aid>; and Annex Section A2.

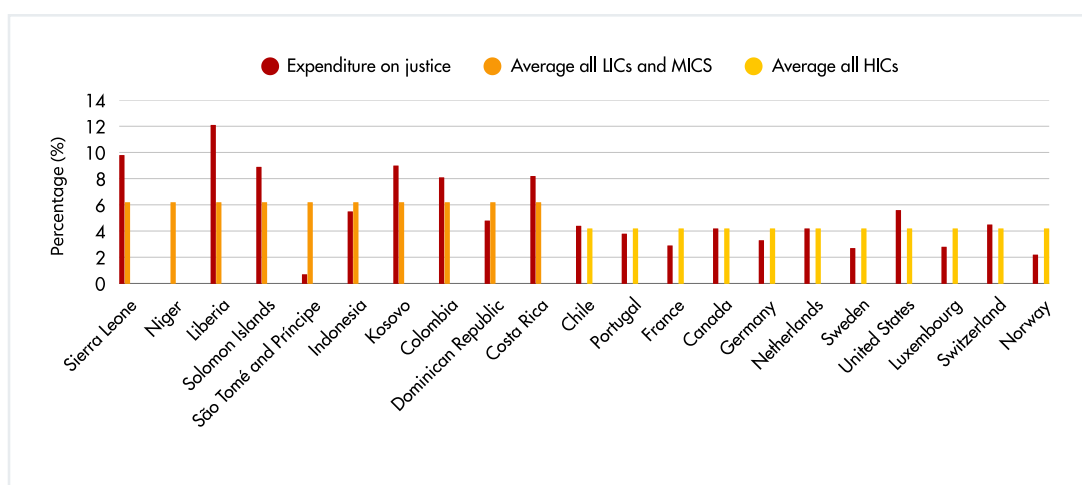
Figure 1: Judicial System Expenditure Across All Country Income Groups



As can be seen from Figure 2 below, non-OECD Justice Action Coalition (JAC) members spend more on judicial systems than the averages of other countries in their income group (which range from 1 to 1.4 percent). OECD JAC members are more evenly spread around the average for OECD countries of 0.7 percent. Figure 2 shows all JAC members, with the lowest income countries on the left-hand side and the highest income on the right-hand side.

For further detail on variations on spending on judicial systems see Annex A1.

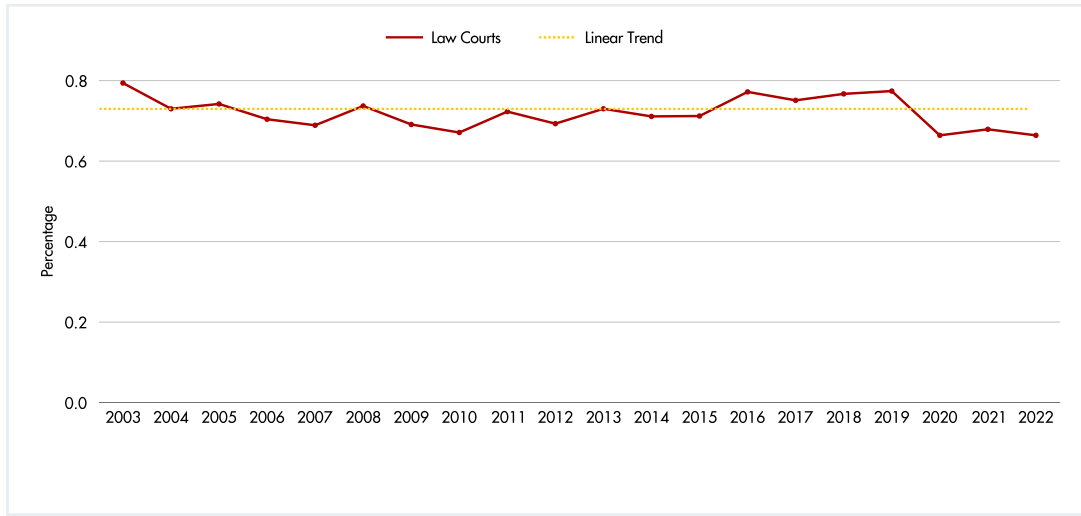
Figure 2: Expenditure on Judicial Systems in JAC countries



2.2 Consistency of OECD spend across time

It is striking that in OECD countries the average (median) share of spending on judicial systems has been remarkably constant. Since 2003, it has always been within the range of 0.65 to 0.8 percent (see Figure 3 below). Unfortunately, historical data has not been compiled for non-OECD countries.

Figure 3: Judicial System Share of Total Government Expenditure in OECD Countries



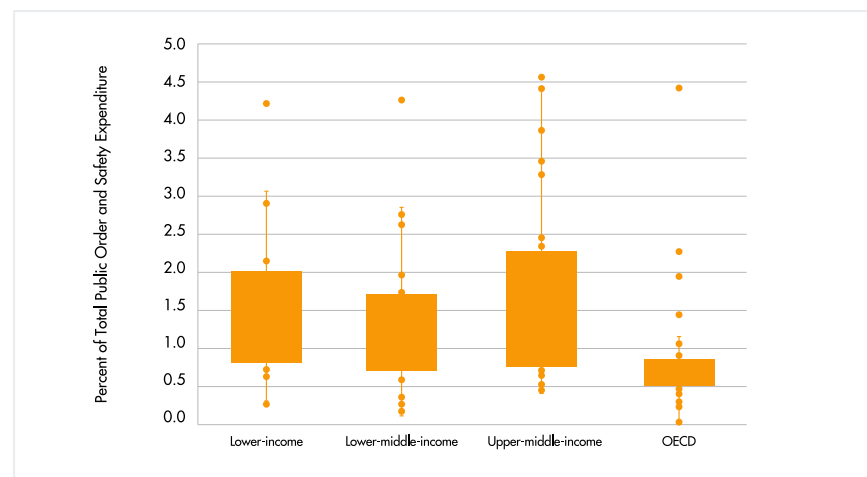
Annex

A1: Variations in Levels of Spending on Judicial Systems

Most OECD countries have remarkably similar levels of spending on judicial systems. There is greater variation in the level of spend in low- and middle-income countries, but most are still within a narrow range 0.7 percent to 2.3 percent.

The variations in spending on judicial systems within country income groups are shown in the 'box and whisker' plot in Figure 4. The OECD box (representing 50 percent of countries that are closest to the median level of spend on justice) is small and the whiskers (representing most of the rest of the countries, apart from a few outliers) do not extend far. In contrast, the three non-OECD boxes are longer, with longer whiskers, indicating a much greater variation in the level of spend.¹⁷

Figure 4: Expenditure on Judicial Systems as a Share of Total Government Expenditure



¹⁷ The line in the middle of each box is the median level of spending. Half of the countries will be above, and half below, this level of spending. The shaded box extends to cover 50 percent of all countries that are closest to the median level of spend, both above and below. The 'whiskers' extend to cover nearly all the other countries, except for one or two extreme outliers.

A2: Data coverage

Table 2: Data Availability—By Number of Countries and as Percent of Each Income Group

Income Group	Number of Countries with Data on Judicial Systems Spending	Percentage of Income Group with Data
LICs	19	75%
LMICs	29	56%
UMICs	34	63%
OECD *	36	95%
HICs	48	59%
Total for all countries	130	60%

Note: OECD member countries comprise some UMICs and some HICs.

Appendix of Background Briefs

Introduction and Purpose

0.1 Justice Financing Framework: Introduction and Purpose

0.2 Lessons for Justice Financing from the Health Sector

People-Centered Culture and Purpose

1 Setting High-Level People-Centered Justice Objectives

1.1 Outcomes Focused on the Resolution of People's Justice Problems

"More Money for Justice"

2 Assessing the Scope for Increasing Resources

2.1 Financing Ambition #1: Justice Sector Share of Total Government Expenditure

2.2 Judicial System Share of Total Government Expenditure

2.3 Contributions to Costs by Beneficiaries

2.4 Private Sector Investment in Justice

2.5 Financing Ambition for Countries in Receipt of Significant External Development Support

"More Justice for the Money:" More Justice Outcomes from Available Resources

3 Setting Spending Priorities in Line with People-Centered Justice Objectives

3.1 Defining Primary Front Line Justice Services

3.2 Financing Ambition #2: Primary Front Line Justice Services

3.3 Financing Ambition #3: Information, Advice, Assistance, and Informal Dispute Resolution

3.4 Scalable Best Value-for-Money Activities

4 Improving Efficiency and Effectiveness of Spending

4.1 Governance and Regulation of Justice Services

4.2 Financing Ambition #4: Research, Development, Governance, Evidence-Based Practice, and Continuous Improvement

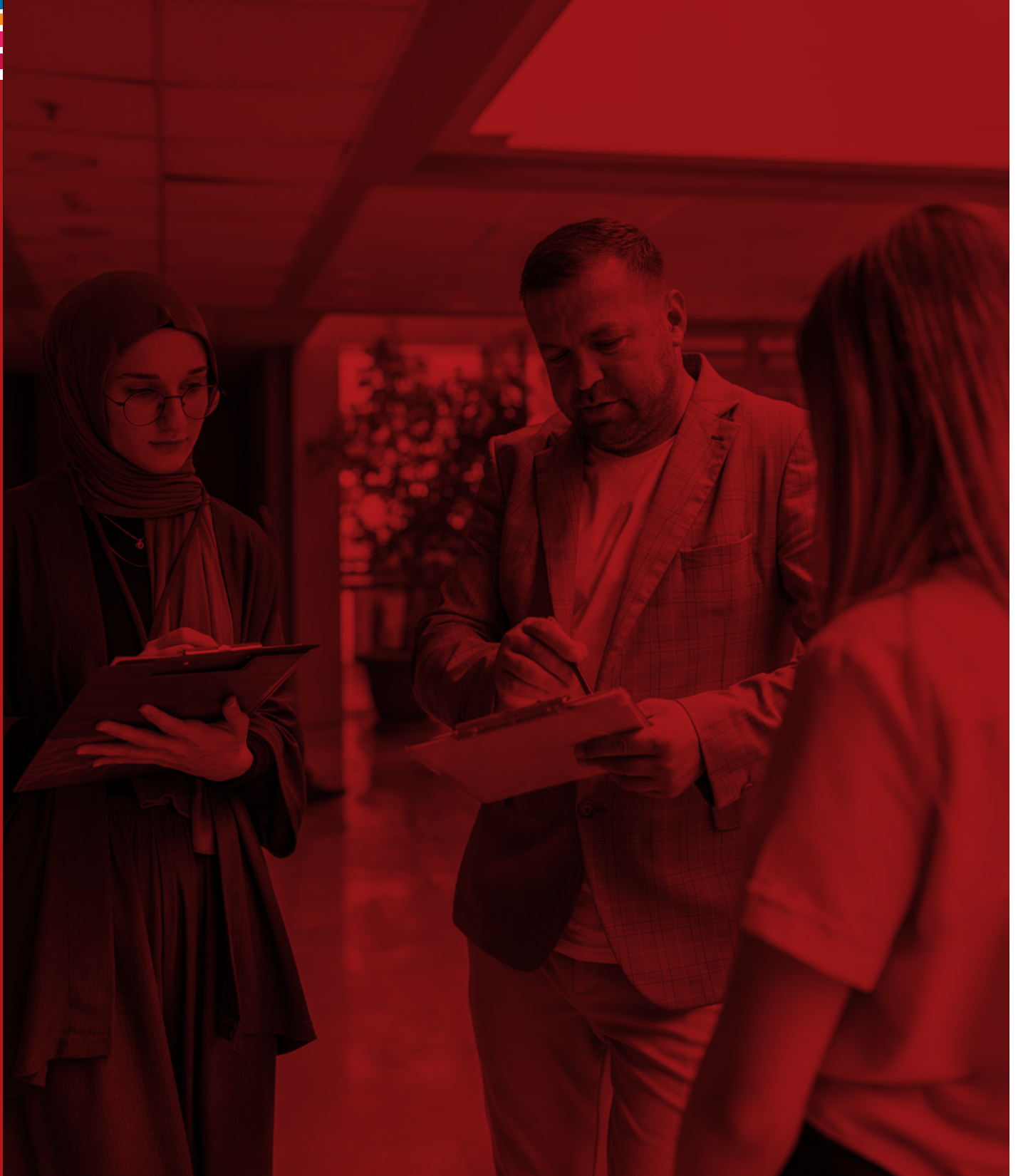
4.3 Systematic Efficiency and Effectiveness Expenditure Reviews

Implementation

5 Developing Achievable, Costed, Prioritized, Transparent, and Accountable Plans

5.1 Achievability, Costing, and Prioritization

5.2 Transparency and Accountability



This Background Brief is an excerpt from the Justice Action Coalition Workstream IV, "Justice Financing Framework," November 2025. For more information, see www.sdg16.plus/justice-financing-framework.