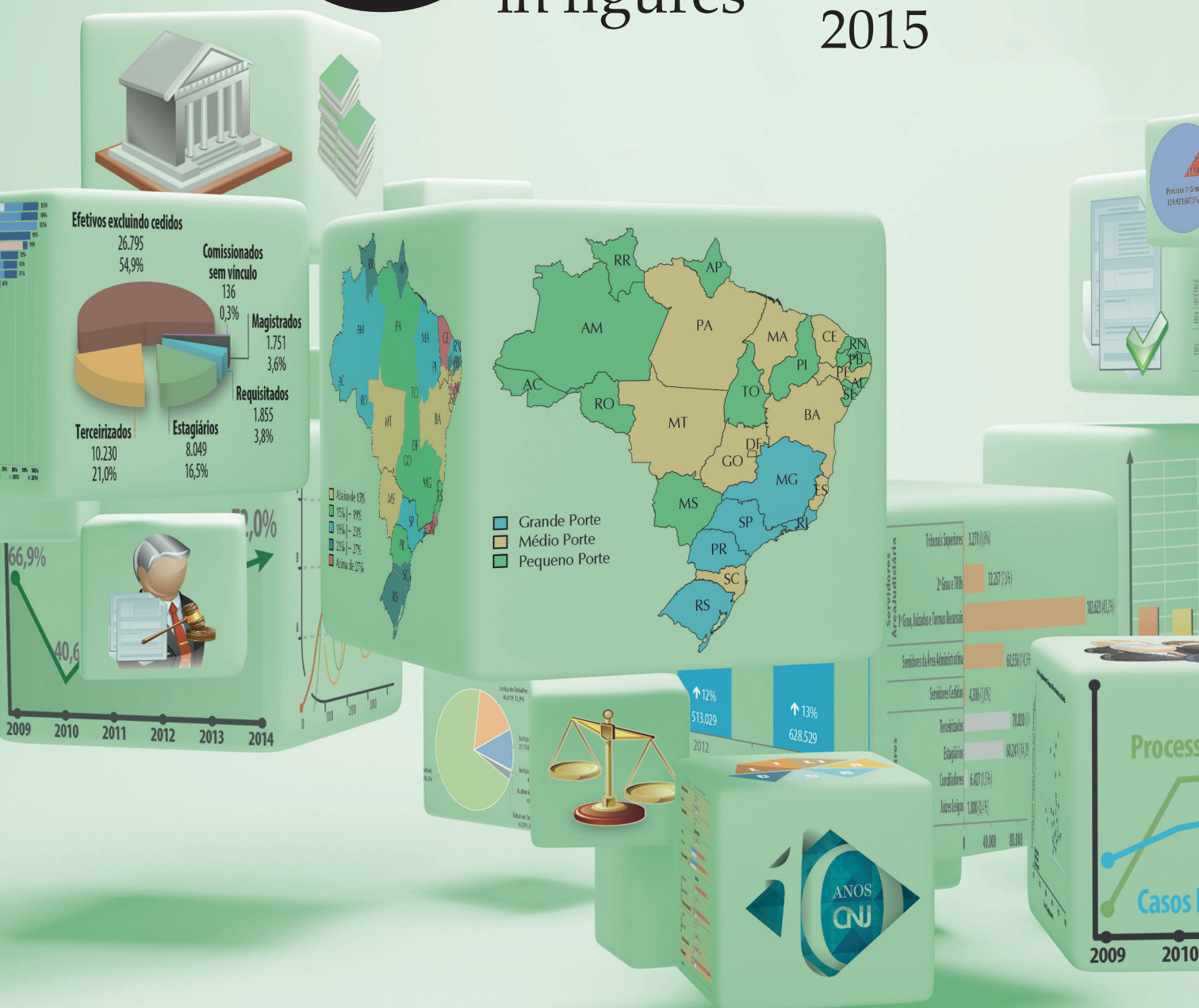


## Executive Summary

# Courts

in figures

## 2015



Poder  
Judiciário



CONSELHO  
NACIONAL  
DE JUSTIÇA

<b>CNJ</b>	
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<b>Researchers</b>	Gabriela Moreira Igor Stemler
<b>Statistical</b>	Filipe Pereira Jaqueline Barbão
<b>Support for research</b>	Danielly Queirós Lucas Delgado Pâmela Tieme Aoyama Pedro Amorim Ricardo Marques
<b>Organizer</b>	Fernanda Paixão Araújo Pinto

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# 1 Introduction

**Courts in Figures**, a report governed by Resolution N. 76, issued by the National Council of Justice, integrates the National System of Statistics of the Judicial Branch – SIESPJ. Such set of data provides for the consistent debate on the indicators of public spending, structure and litigation level of Brazil’s Judicial Branch.

All data handled by SIESPJ is reported by Court Presidencies, in compliance with principles of publicity, efficiency, transparency, mandatory disclosure of statistical data and presumption of truthfulness. The Presidency of a Court is the body responsible for the accuracy of all information that has been reported to the CNJ, and it may delegate powers to a judge or a specialized civil servant who integrates the Statistical Division the attributions to generate, check and transmit statistical data.

This document summarizes the most relevant data addressed in the **Courts in Figures** report that covered the fiscal year of **2014**, adding relevant information to this six year time series. Such data refer to consolidated information disclosed by agencies and offices of the Judicial Branch, except the Federal Supreme Court (STF) and the councils. It encompasses, thus, information released by State Appellate Courts, Regional Federal Appellate Courts, Regional Appellate Labor Courts, State Courts of Military Appeals, Regional Electoral Courts, the Military Justice of the Federal Government (military audits and the Military Court of Appeals – STM), the Superior Court of Justice (STJ), the Superior Labor Court (TST) and the Superior Electoral Court (TSE)<sup>1</sup>. The disclosed information comprises figures that refer to the 2nd instance, 1st instance, small-claims courts, appellate panels, regional harmonizing panels<sup>2</sup>, and superior courts. The used indicators as well as in-depth assessments that individually address different court systems are available for consultation in the full report.

<sup>1</sup> The fiscal years of 2009 and 2010 only feature information on the State Justice, Labor Justice, Federal Justice and the Superior Labor Court – TST.

<sup>2</sup> Small-Claims Courts and Appellate Panels integrate both the State and the Federal Court Systems. Regional Harmonizing Panels integrate only the Federal Court System.

## 2 Financial Resources

The total expenditures of the Judicial Branch totaled approximately BRL 68.4 billion, an increase of 4.3% in relation to 2013<sup>3</sup>. This expenditure accounts for 1.2% in relation to the national GDP, 2.3% of the total expenditures of the Federal Government, States and Municipalities in 2014 and BRL 337.28 per inhabitant. The State Courts account for the largest share of expenditures, approximately 55% of the total amount spent by the Judicial Branch. The Labor Courts are responsible for the second largest expenditure (21% of the expenses made by the Judicial Branch), followed by the Federal Courts (13% of the total). It is worth noting that the increase of 33.4% in the total spent during the six-year period is influenced by the insertion of data reported by superior courts (TSE, STJ and STM), by the Electoral Court System and by State Courts of Military Appeals in the Courts in Figures reports only as of 2011 onwards.

Labor and Federal Court Systems feature the largest percentages spent in human resources, 93.5% and 89.8%, respectively, whereas Superior and Electoral Court Systems account for the smallest shares, 83.8% and 84.1%, respectively (Table 2).

Information technology (IT) accounted for expenditures of BRL 2.9 billion, noting that such amount is equivalent to only 4.3% of all expenditures made by Brazilian courts. In proportion to their total expenditures, the superior courts are the instances that most invest in information technology, a 15.6% share of the budget. However, such significant percentage reflected the expenditures reported by the Superior Electoral Court, which amounted to BRL 347 million. The Electoral Court System comes next, with 6.5% of total expenditures allocated in information technology.

<sup>3</sup> The monetary values referred to in this report, related to 2009 - 2013, are deflated by the Broad Consumer Price Index of December, 2014 (IPCA/DEC 2014).

It is worth noting that the Judicial Branch collected approximately BRL 27 billion from miscellaneous revenues, which amounts to 39.4% of total expenditures, featuring a reduction in relation to 2013, when the revenues totaled BRL 32.7 billion, or 49.9% of total expenditures.

**Table 1 – Expenditures of the Judicial Branch**

Expenditure Description	2009	2010	2011	2012	2013	2014	Var. 2013x14
DPJ – Total Expenditures of Brazilian Courts	51.166.167.828	53.002.586.554	60.209.196.928	64.567.339.755	65.588.405.261	68.385.447.621	4,3%
% in relation to GDP	1,17%	1,11%	1,22%	1,30%	1,20%	1,24%	0,04 p.p.
Expenditures on HR	46.113.142.377	47.422.117.787	53.982.982.370	57.309.284.379	58.872.655.562	61.185.097.511	3,9%
% in relation to DPJ	90,8%	89,5%	89,7%	88,8%	89,8%	89,5%	-0,29 p.p.
Expenditures on Goods and Services	4.831.505.115	5.485.719.418	6.251.868.979	7.270.834.387	7.136.986.715	7.263.685.824	1,8%
% in relation to DPJ	9,4%	10,3%	10,4%	11,3%	10,9%	10,6%	-0,26 p.p.
Expenditures on IT	1.539.915.952	1.662.067.665	2.205.841.724	2.951.659.134	2.897.042.689	2.934.773.508	1,3%
% in relation to the Total	3,1%	3,2%	3,6%	4,6%	4,4%	4,3%	-0,09 p.p.

Source: Courts in Figures 2014

[1] p.p.: percentage points. When handling indexes, variations are preferably analyzed in absolute terms, in percentage points.

[2] All monetary values of 2009 - 2013 deflated by IPCA/DEC 2014.

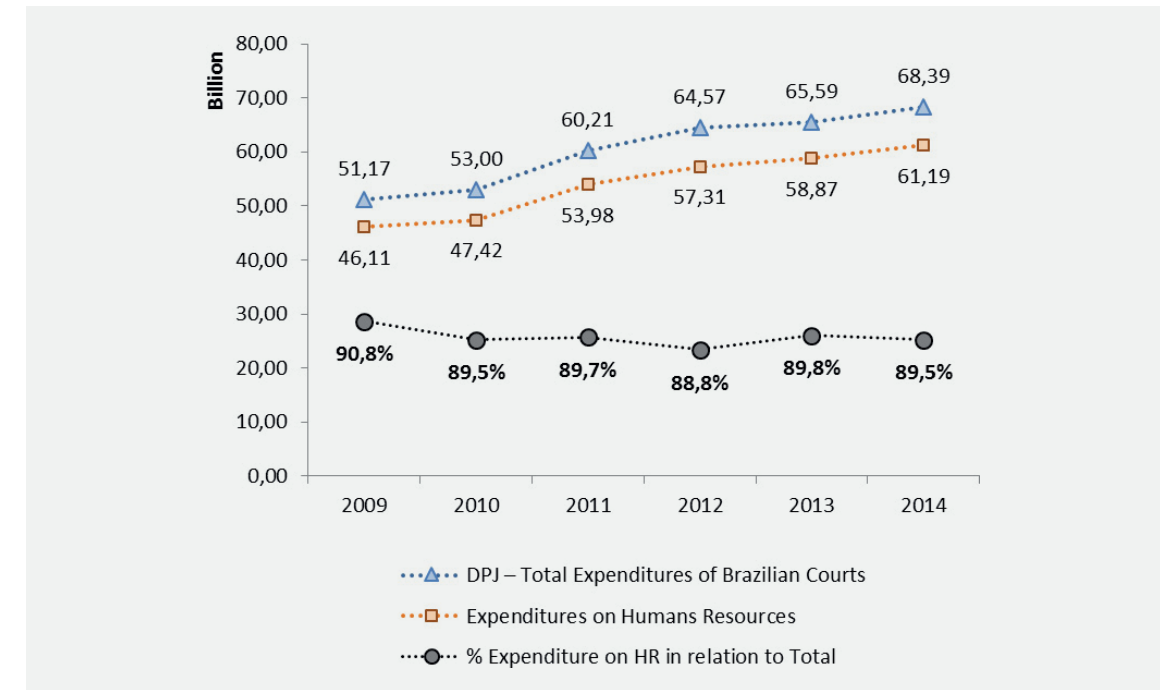
[3] STJ, STM, TSE, the Electoral Court System and the State Military Court System were included in the report as of 2011 onwards.

**Table 2 – Expenditures of the Judicial Branch in 2014 by Court System**

Court System	Total Expenditures of Brazilian Courts (DPJ)		Expenditures on Human Resources (DRH)		Expenditures on IT (Dinf)	
	Expenditure (BRL)	DPJ/GDP	Expenditure (BRL)	DRH/DPJ	Expenditure (BRL)	Dinf/DPJ
State Courts	37.598.870.632	0,68%	33.467.967.734	89,0%	1.484.063.933	3,9%
Federal Courts	8.710.192.624	0,16%	7.825.802.337	89,8%	317.629.350	3,6%
Labor Courts	14.203.126.022	0,26%	13.273.548.609	93,5%	360.020.684	2,5%
Electoral Courts	4.782.707.761	0,09%	4.023.122.069	84,1%	305.656.173	6,5%
State Military Courts	116.899.056	0,00%	102.623.034	87,8%	4.152.682	3,6%
Superior Courts	2.973.651.526	0,05%	2.492.033.728	83,8%	463.250.687	15,6%
<b>Judicial Branch Total</b>	<b>68.385.447.621</b>	<b>1,24%</b>	<b>61.185.097.511</b>	<b>89,5%</b>	<b>2.934.773.508</b>	<b>4,3%</b>

Source: Courts in Figures 2014

**Graph 1 – Time Series of the Expenditures of the Judicial Branch**



# 3

## Human Resources

The Judicial Branch has 16,927 judges, noting that 14,518 of them (85.8%) serve in the first instance, which comprises the first degree of jurisdiction and the small-claims courts, and 2,332 of them are appellate judges. In addition to these judges, there are 77 ministers serving in the 4 superior courts (STJ, TST, TSE and STM), besides the judges of the appellate panels and regional harmonizing panels. The number of judges has been gradually increasing, rising by 5.2% during the six-year period<sup>4</sup> (Table 3).

Brazilian Courts count on a workforce of 418 thousand employees, of which 279 thousand (67%) are civil servants, servants requested from other government agencies or entities and employees without formal affiliation to public service, and 139 thousand occupy auxiliary positions as outsourced workforce, interns, lay judges and hearing officers<sup>5</sup>. Although both hiring models feature a rising trend as of 2009, the number of auxiliary positions increased more significantly, displaying a positive variation of 2.4% in the past year. The share of positions filled by interns, outsourced workforce, lay judges and hearing officers rose from 32.9% in 2013 to 33.3% of the total number of employees in 2014. Additionally, civil servants that work in the judicial area, that is, those that perform activities within the core field of the court, represent 78% of the total number of employees (excluding the auxiliary workforce).

A broader assessment indicated an average number of 8 judges and 206 employees per every 100,000 inhabitants.

<sup>4</sup> Such increase is also influenced by the inclusion of new courts in the report as of 2011 onwards.

<sup>5</sup> Only State Courts have lay judges and hearing officers.



Table 3 – Number of Judges and Employees serving the Judicial Branch

Civil Servants and Judges	2009	2010	2011	2012	2013	2014	Var. 2013x14	6-year period var.
Total Number of Judges	16.087	16.397	16.413	16.138	16.477	16.927	2,7%	5,2%
Number of Judges per every 100,000 inhabitants	8,4	8,6	8,5	8,3	8,2	8,3	1,9%	-0,6%
Total Number of Employees	314.516	325.014	365.566	397.121	412.757	418.005	1,3%	32,9%
Number of Employees per every 100,000 inhabitants	164	170	190	205	205	206	0,4%	25,5%
Civil servants, servants requested from other government agencies or entities and employees without formal affiliation to public service <sup>1</sup>	227.396	230.781	263.365	271.593	276.773	278.707	0,7%	22,6%
Auxiliary workforce <sup>2</sup>	87.120	94.233	102.201	125.528	135.984	139.298	2,4%	59,9%
% of auxiliary workforce	27,7%	29,0%	28,0%	31,6%	32,9%	33,3%	0,4 p.p.	5,6 p.p.
Civil servants that work in the judicial area <sup>3</sup>	179.585	187.491	205.232	210.668	217.453	218.151	0,3%	21,5%
% of civil servants that work in the judicial area	79,0%	81,2%	77,9%	77,6%	78,6%	78,3%	-0,3 p.p.	50,6 p.p.

Source: Courts in Figures 2014

- [1] Excluded civil servants assigned to other government agencies or entities.  
 [2] The auxiliary workforce includes outsourced staff, interns, lay judges and hearing officers.  
 [3] The numbers of the auxiliary workforce are included in the assessment of servants that work in the judicial area.  
 [4] p.p.: percentage points. When handling indexes, variations are preferably analyzed in absolute terms, in percentage points.  
 [5] STJ, STM, TSE, the Electoral Court System and the State Military Court System were included in the report as of 2011 onwards.

The State Courts feature the highest number of cases and the largest expenditure amounts. Their staff numbers are also the largest ones, accounting for 68% of judges and 65% of employees. Labor Courts come next, with 20% of judges and 13% of employees, followed by the Electoral Courts, with 18% and 7% of the workforce each one.

The Superior Courts made the most significant use of the auxiliary workforce (interns and outsourced staff) to form their staff in 2014, and 45% of their personnel were hired under this model, exception made to the STM, which registered only 40%. The share of outsourced staff and interns was also low in State Military and Labor Courts (21% and 26%, respectively).

Table 4 – Judges and Employees serving the Judicial Branch per Court System

Court System	Judges	Employees			
		Total	Civil servants, servants requested from other government agencies or entities and employees without formal affiliation to public service	Auxiliary Workforce	Share of the Auxiliary Workforce
State Courts	11.631	271.759	179.711	92.048	34%
Federal Courts	1.751	47.065	28.786	18.279	39%
Labor Courts	3.400	55.325	41.217	14.108	26%
Electoral Courts	3.180	31.019	21.756	9.263	30%
State Military Courts	40	544	432	112	21%
Superior Courts	77	11.564	6.370	5.194	45%
Military Audits	28	729	435	294	40%
<b>Judicial Branch Total</b>	<b>16.927</b>	<b>418.005</b>	<b>278.707</b>	<b>139.298</b>	<b>33%</b>

Source: Courts in Figures 2014

# 4 General Litigation Data

There were 70.8 million pending lawsuits in early 2014, and other 28.5 million suits were filed during that year, totaling 99.7 million cases pending to be reviewed by the Judicial Branch, an increase of 4.2% in relation to the previous year and 19.1% in relation to the six-year period. In relative terms, the filing of new lawsuits accounted for the least significant increase that year (1.1%), whereas remanded/dismissed cases featured an increase of 1.4% and the number of judgments, 4%.

Collected data indicates a significant increase in the number of new lawsuits, which rose 17.2% during the six-year period. The major bottleneck of the Judicial Branch, however, lies in the dismissal of pending lawsuits. Although the courts have entered judgments and remanded/dismissed almost as many cases as the filing of new ones, the amount of pending lawsuits was not reduced, instead, it has been gradually increasing overtime.

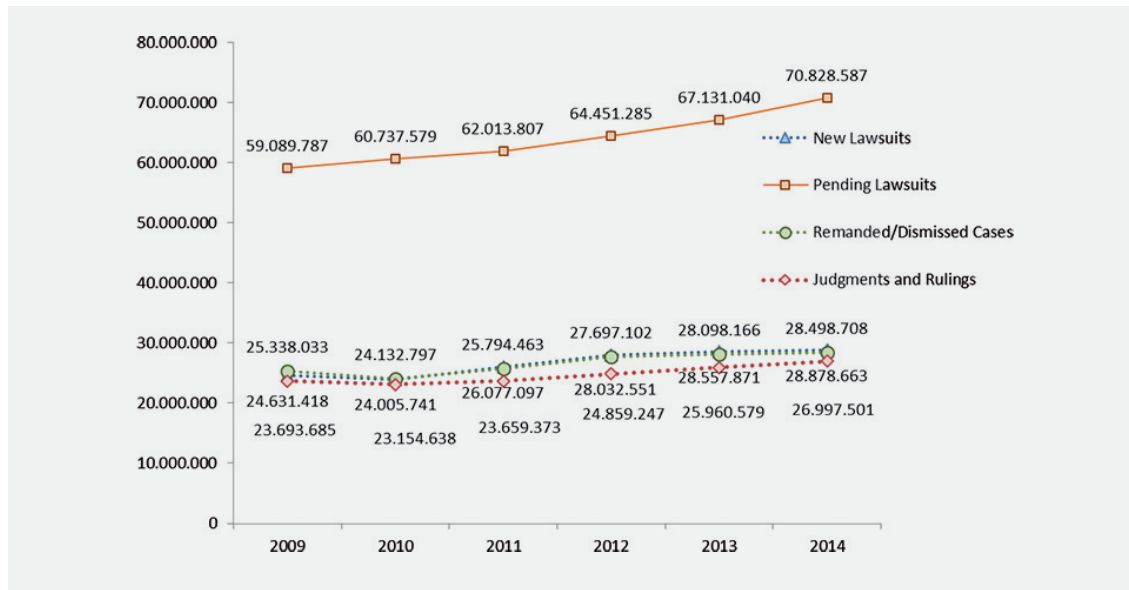
Table 5 – Case flow in 2009 – 2014

Case flow	2009	2010	2011	2012	2013	2014	2013x14 Var.	6-year period var.
New Lawsuits	24.631.418	24.005.741	26.077.097	28.032.551	28.557.871	28.878.663	1,1%	17,2%
Pending Lawsuits <sup>1</sup>	59.089.787	60.737.579	62.013.807	64.451.285	67.131.040	70.828.587	5,5%	19,9%
Remanded/Dismissed Cases	25.338.033	24.132.797	25.794.463	27.697.102	28.098.166	28.498.708	1,4%	12,5%
Judgments and Rulings	23.693.685	23.154.638	23.659.373	24.859.247	25.960.579	26.997.501	4,0%	13,9%
Cases being processed <sup>2</sup>	83.721.205	84.743.320	88.090.904	92.483.836	95.688.911	99.707.250	4,2%	19,1%

Source: Courts in Figures 2014

- [1] Pending lawsuits in the beginning of each fiscal year.  
 [2] The total number of cases being processed is calculated by the sum of new and pending lawsuits.  
 [3] STJ, STM, TSE, the Electoral Court System and the State Military Court System were included in the report as of 2011 onwards.

Graph 2 – Case flow in 2009 – 2014



The State Courts feature the largest litigation volume, accounting for 70% of the filing of new lawsuits. This Court System encompasses a relative lack of proportionality between resources and litigation volume, as it is responsible for 55% of the expenditures of the Judicial Branch and 65% of the total workforce, but in charge of 78% of the cases being processed. The Federal Courts rank 2nd in the number of new lawsuits (4 million) and in number of cases being processed (12.5 million - Table 6).

Table 6 – Case flow by Court System in 2014

Court System	New Lawsuits	Pending Lawsuits	Remanded/Dismissed Cases	Judgments and Rulings	Cases being processed
State Courts	20.141.982	57.206.736	19.945.948	19.123.560	77.348.718
Federal Courts	4.052.021	8.484.488	3.699.229	3.046.481	12.536.509
Labor Courts	3.990.500	4.396.590	4.210.711	4.056.062	8.387.090
Electoral Courts	109.059	110.826	139.805	122.007	219.885
State Military Courts	4.439	3.961	5.592	5.664	8.400
Superior Courts	578.844	624.008	495.749	641.964	1.202.852
Military Audits	1.818	1.978	1.674	1.763	3.796
Judicial Branch Total	20.141.982	57.206.736	19.945.948	19.123.560	77.348.718

Source: Courts in Figures 2014

- [1] Pending lawsuits in the beginning of each fiscal year  
 [2] The total of cases being processed is calculated by the sum of new and pending lawsuits.  
 [3] STJ, STM, TSE, the Electoral Court System and the State Military Court System were included in the report as of 2011 onwards.

The significant increase in the number of rendered judgments and remanded/dismissed cases during the six-year period (13.9% and 19.9%, respectively) was followed by increase in the index of judgment productivity per judge (around 6.9%) but there was a decrease in the number of cases

remanded/dismissed by civil servants that work in the judicial area (-7.4%). However, a comparative analysis of the number of cases remanded/dismissed by judges registered an increase of 8.3%. The demand for the services rendered by the Judicial Branch is a factor of concern as it grows more significantly (17.2%) than the termination of cases, both in number of remanded/dismissed cases (12.5%) and in number of rendered judgments (13.9%). As a result, in addition to regular increases in the number of pending cases, there was a drop of 4.2 percentage points in the ratio of cases remanded/dismissed by each new lawsuit that is filed, which indicated that the courts were not even capable of reducing the number of lawsuits that were filed during the assessed period. After a few oscillations, the backlog rate reached 71.4% in 2014, a worse performance compared to the one registered in 2013.

Table 7 – Litigation Indicators

Indicators	2009	2010	2011	2012	2013	2014	2013x14 Var.	6-year period var.
Backlog Rate <sup>1</sup>	69,7%	71,5%	70,9%	70,1%	70,6%	71,4%	0,8 p.p.	1,7 p.p.
Remanded/Dismissed Cases per New Lawsuit <sup>2</sup>	103%	101%	99%	99%	98%	99%	0,3 p.p.	-4,2 p.p.
Number of Judgments Rendered per Judge <sup>3</sup>	1472,85	1412,13	1441,50	1540,42	1575,56	1594,94	1,2%	8,3%
Number of Cases Remanded/Dismissed per Judge <sup>4</sup>	1575,06	1471,78	1571,59	1716,27	1705,30	1683,62	-1,3%	6,9%
Number of Cases Remanded/Dismissed per Civil Servant <sup>5</sup>	141,09	128,71	125,68	131,43	129,21	130,64	1,1%	-7,4%

Source: Courts in Figures 2014

p.p.: percentage points. When handling indexes, variations are preferably analyzed in absolute terms, in percentage points.

[1] Measures the percentage of cases being processed that were not remanded/dismissed during the year

Backlog Rate =  $1 - \frac{\text{Total of Remanded/Dismissed Cases}}{\text{New Lawsuit} + \text{Pending Lawsuit}}$

[2] Measures the case flow index, in case it is not possible to reduce the number of cases being processed in comparison to the filing of new lawsuits.

Remanded/Dismissed Cases per New Lawsuit =  $\frac{\text{Total of Remanded or Dismissed Cases}}{\text{Total of New Lawsuits}}$

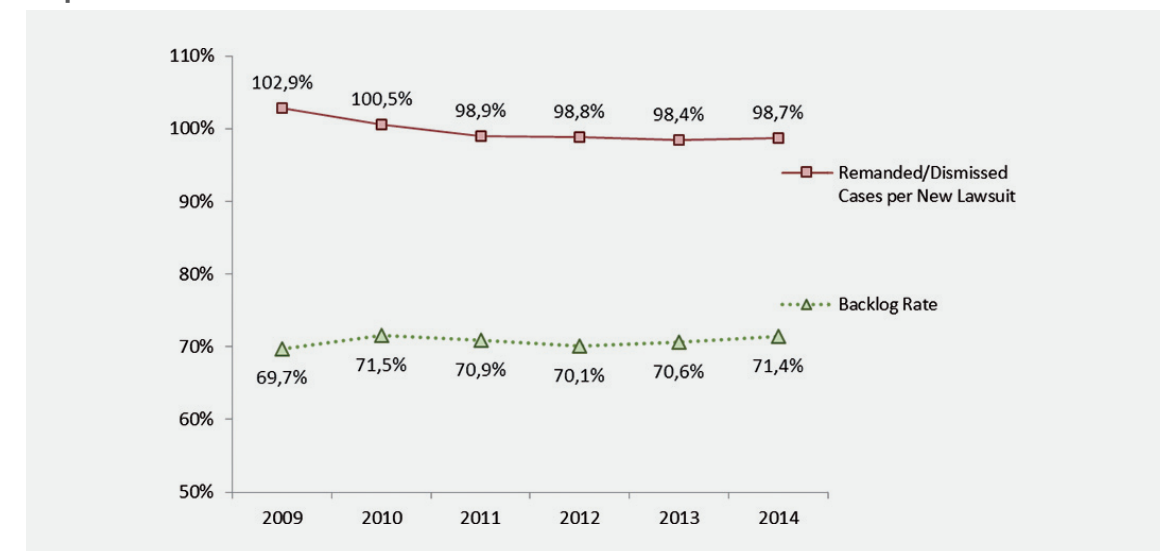
[3] Judge Productivity Index: (Judgments + Rulings) / Judge.

[4] Judge Productivity Index: Total of Remanded or Dismissed Cases / Judges.

[5] Employees Productivity Index: Total of Remanded or Dismissed Cases / Civil Servants working in the judicial area.

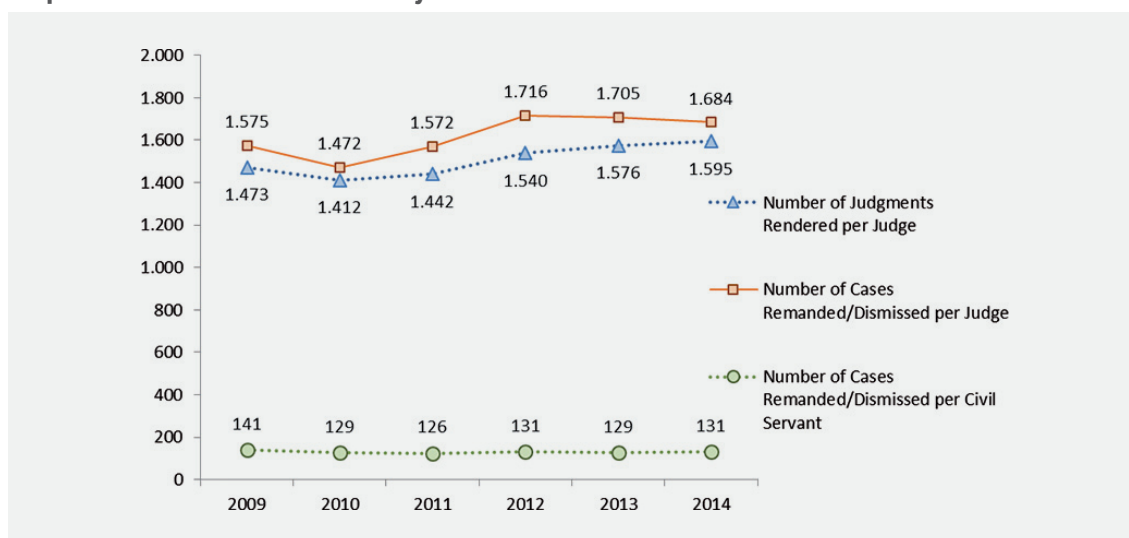
[6] STJ, STM, TSE, the Electoral Court System and the State Military Court System were included in the report as of 2011 onwards.

Graph 3 – Time Series of Performance Indicators





Graph 4 – Time Series of Productivity Indicators



# 5 Impact of Tax Foreclosure Proceedings

Tax foreclosure accounts for 30% of all cases being processed in the Judicial Branch; 38% of the pending cases, but only 12% of new cases. Thus, the major bottleneck with regard to tax foreclosure is the termination of existing cases (pending cases) which, just as other types of cases, features consistent growth rates year after year. Despite the efforts to decrease the number of remanded/dismissed cases in 9.7%, the number of pending cases keeps growing, as the number of remanded/dismissed cases, with respect to tax foreclosure proceedings, accounts for only 80.2% of the new cases. The backlog rate reaches 91% in tax foreclosure proceedings, which means that only 9 cases out of 100 are annually remanded or dismissed. With regard to judgments, the prospects are not promising either, and only 8.4% of the cases being processed were judged in 2014.

Table 8 – Case flow in Tax Foreclosure Proceedings

Tax Foreclosure	2009	2010	2011	2012	2013	2014	2013x14 Var.	6-year period var.
New Lawsuits	3.454.753	3.137.386	3.793.498	3.690.925	3.564.769	3.365.674	-5,6%	-2,6%
Pending Lawsuits <sup>1</sup>	23.797.898	23.967.950	24.547.716	25.668.046	26.481.998	26.981.792	1,9%	13,4%
Remanded/Dismissed Cases	3.646.007	2.336.956	2.940.857	3.084.396	2.991.073	2.700.137	-9,7%	-25,9%
Judgments and Rulings	3.421.259	2.472.746	2.283.439	2.250.232	2.380.518	2.561.633	7,6%	-25,1%
Cases being processed <sup>2</sup>	27.252.651	27.105.336	28.341.214	29.358.971	30.046.767	30.347.466	1,0%	11,4%

Source: Courts in Figures 2014

[1] Pending lawsuits in the beginning of each fiscal year

[2] The total of cases being processed is calculated by the sum of new and pending lawsuits.

[3] The Electoral Court System was included in the report as of 2011 onwards.

**Table 9 – Percentage Share of Tax Foreclosure Proceedings**

Case Flow	Percentage share of Tax Foreclosure Proceedings in relation to the total of cases in the Judicial Branch					
	2009	2010	2011	2012	2013	2014
New Lawsuits	14%	13%	15%	13%	12%	12%
Pending Lawsuits <sup>1</sup>	40%	39%	40%	40%	39%	38%
Remanded/Dismissed Cases	14%	10%	11%	11%	11%	9%
Judgments and Rulings	14%	11%	10%	9%	9%	9%
Cases being processed <sup>2</sup>	33%	32%	32%	32%	31%	30%

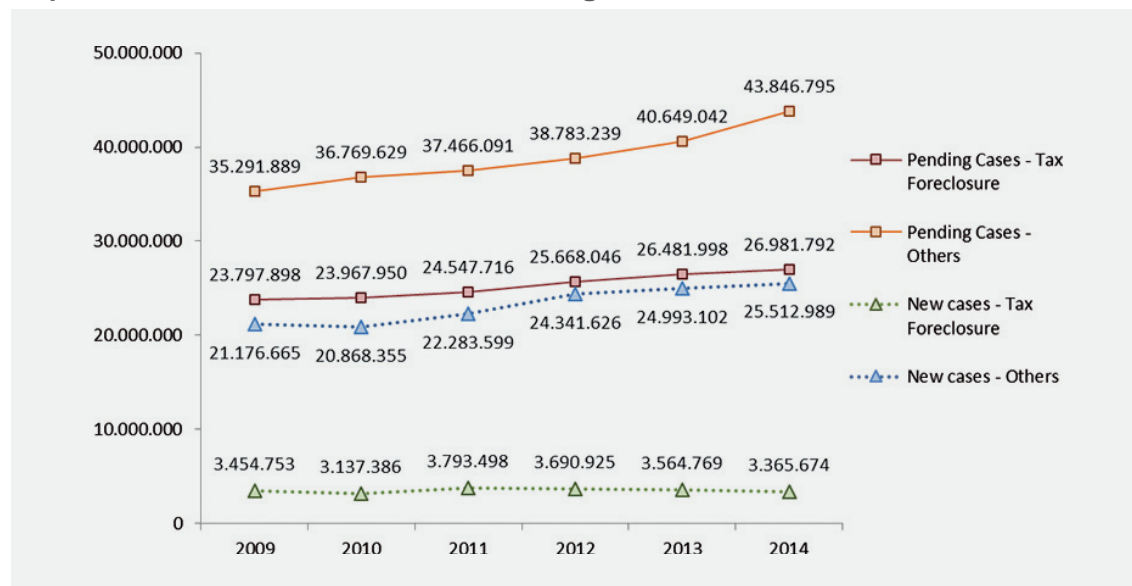
Source: Courts in Figures 2014

[1] Pending lawsuits in the beginning of each fiscal year

[2] The total of cases being processed is calculated by the sum of new and pending lawsuits.

[3] The Electoral Court System was included in the report as of 2011 onwards.

**Graph 5 – Time Series of Tax Foreclosure Proceedings in Relation to Other Cases**



It is worth noting that out of the 30.3 million tax foreclosure proceedings being processed, 86.8% (26.3 million) run before the State Courts; 12.7% (3.9 million), before the Federal Courts; and only 0.5% before the Labor Courts (149 thousand). The number of pending cases grew both before the State and Federal Courts, rising by 8.6% and 5.8%, respectively.

**Table 10 – Case flow of Tax Foreclosure Proceedings per Court System**

Court System	New Lawsuits	Pending Lawsuits <sup>1</sup>	Remanded / Dismissed Cases	Judgments and Rulings	Cases being processed <sup>2</sup>
State Courts	2.920.112	23.408.690	2.330.177	2.316.174	26.328.802
Federal Courts	410.235	3.455.805	331.239	230.946	3.866.040
Labor Courts	34.676	114.699	38.106	14.223	149.375
Electoral Courts	651	2.598	615	290	3.249
<b>Judicial Branch Total</b>	<b>3.365.674</b>	<b>26.981.792</b>	<b>2.700.137</b>	<b>2.561.633</b>	<b>30.347.466</b>

Source: Courts in Figures 2014

[1] Pending lawsuits in the beginning of each fiscal year

[2] The total of cases being processed is calculated by the sum of new and pending lawsuits.

To illustrate the above-depicted scenario, if all tax foreclosure proceedings were withdrawn from the Judicial Branch, the backlog rate, which reached 71.4% in 2014, would fall 8.6 percentage points to 62.8%. The index of remanded/dismissed cases per new case would also feature significant improvements (101.1%), surpassing 100%, which is the minimum desirable level in order to avoid judicial backlog. The number of cases being processed, which amounted to 99.7 million in 2014, would be reduced to 69.4 million (Table 11).

Provided the same context, the backlog rate would fall from 74.2% to 65.5% in the State Courts (a reduction of 8.7 percentage points), noting that the Federal Courts would experience an even more significant drop, 9.3 percentage points (falling from 70.5% to 61.2%). The number of cases being processed would be reduced to 34% in the State Courts and to 30.8% in the Federal Courts.

**Table 11 – Impact of Tax Foreclosure Proceedings on Performance Indicators**

Performance Indicators		2009	2010	2011	2012	2013	2014
Tax Foreclosure	Backlog Rate	86,6%	91,4%	89,6%	89,5%	90,0%	91,1%
	Share of Remanded/Dismissed cases per new case	105,5%	74,5%	77,7%	83,6%	83,9%	80,2%
Other Cases	Backlog Rate	61,6%	62,2%	61,8%	61,0%	61,8%	62,8%
	Share of Remanded/Dismissed cases per new case	102,4%	104,4%	102,6%	101,1%	100,5%	101,1%
Total	Backlog Rate	69,7%	71,5%	70,9%	70,1%	70,6%	71,4%
	Share of Remanded/Dismissed cases per new case	102,9%	100,5%	98,9%	98,8%	98,4%	98,7%

Source: Courts in Figures 2014

# 6

## Compared Court Productivity Index (IPC-Jus)

The Compared Court Productivity Index (IPC- Jus) was established based on the Data Envelopment Analysis (DEA) methodology. The DEA method is a multivariate analysis technique, that is, a technique targeted at cases whose results need to be summarized based on two or more variables or indicators. The method is aimed at measuring the output in relation to the available resources in each court (input). This is an efficiency evaluation method that compares the results of each court in relation to their respective productivity. Thus, it is possible to release data on the improvements to be implemented by each court in order to reach the production frontier, considering their available resources and establishing an evaluation indicator for each unit<sup>6</sup>.

It is worth noting that the model brings an index of relative efficiency as a result, which means that it identifies the courts that have reached the maximum production capacity in relation to other courts, given the available resources. It does not mean that courts that operate at 100% efficiency have already reached their maximum efficiency rates. Instead, it indicates that these courts stood out positively in relation to similar institutions.

The model is applied per court system, or, more specifically, in the State Courts and the Labor Courts. In 2014, with the opening data of the “judicial district” informed by the Federal Courts, was possible to calculate the index in the Federal Courts. The method is not applied to the State Military Courts because of the low number of courts that integrate these systems, which prevents the

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6 Further details on the DEA analysis technique are listed in the 2014 edition of the Courts in Figures report, in the methodology section.

implementation of an appropriate statistical analysis. The performance methodology may not be properly applied to other court systems because of their specified jurisdiction features.

The productivity index was calculated based on these considerations and according to the number of cases the court managed to remand or dismiss in one year in relation to its caseload and available financial and human resources. The following variables were used in the modeling process:

- » Inputs: court expenditures (except expenses with retired staff), number of civil servants, servants requested from other government agencies or entities and employees without formal affiliation to public service, number of judges and total of cases being processed .
- » Output: total of remanded/dismissed cases.

To ensure a better understanding of this methodology, frontier graphs are inserted below, featuring the assessment of only two indicators. The following graphs were jointly prepared with quadrant graphs, which divide data into four groups, featuring dotted lines that represent the average result for each indicator. These graphs provide for the identification of the courts that reached an optimum productivity level (frontier line), which are displayed in the most favorable quadrant, featuring good results in both indicators. They also provide for the identification of the underperformers, which delivered the worst results in both indicators, based on the application of the selected methodology.

## 6.1. Results of the Compared Productivity Index – IPC Jus

The results of the IPC Jus, which go detailed next, were obtained through the application of the DEA method, a technique that provides for the calculation of efficiency based on the simultaneous assessment of all variables, i.e. using as inputs the total of cases being processed, the number of judges, the number of employees (except outsourced staff and interns) and the total expenditure of the court (except retired staff), and, as outputs, the total of remanded/dismissed cases. It is worth noting that previous graphs apply the DEA modeling to a context in which only 2 variables are used. The full Courts in Figures report brings other graphs that supplement the concluding remarks and explanations on the results achieved through the application of the aforementioned model.

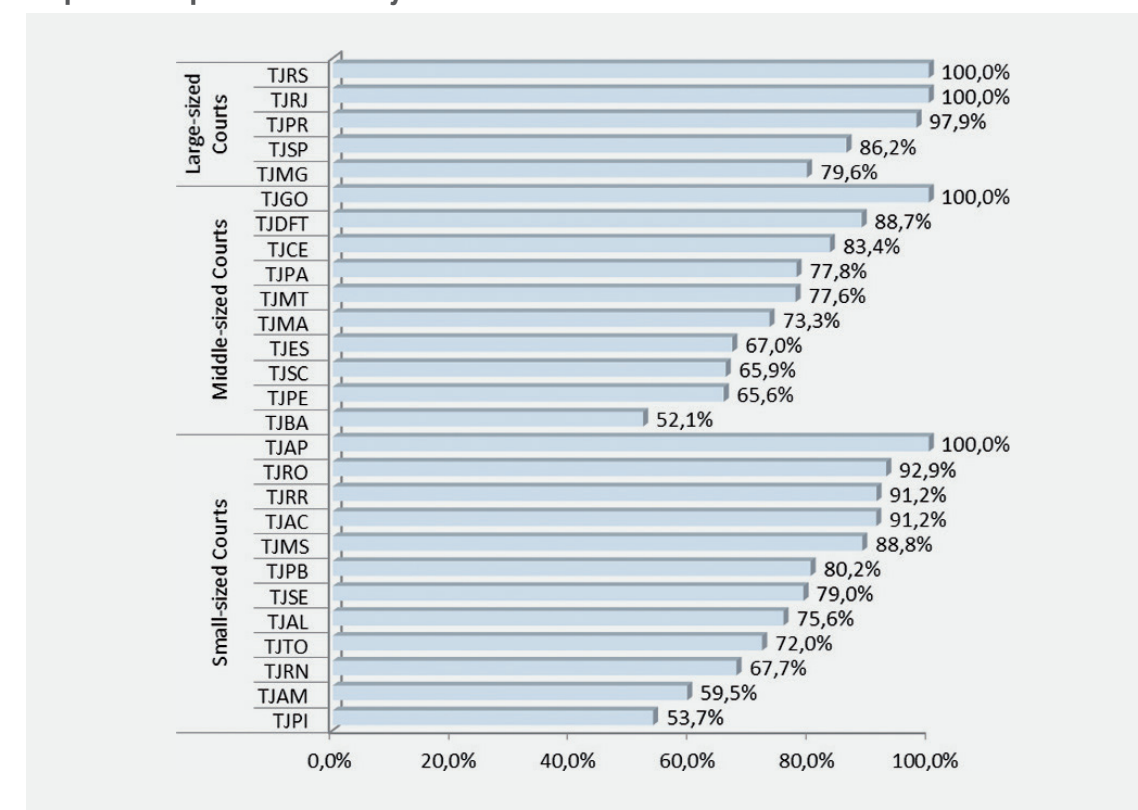
The average efficiency rate of State Courts amounted to 80% in 2014, and Labor Courts accounted for 84%, according to the application of DEA techniques. There are more significant differences among courts in the State Court System, including examples like the Courts of Appeals of Bahia (TJBA) and Piauí (TJPI), which featured relative efficiency rates of only 52.1% and 53.7%, respectively; and the examples of other four state appellate courts that delivered sound results, operating at maximum efficiency. Such positive examples include: the Courts of Appeals of Rio Grande do Sul (TJRS), Rio de Janeiro (TJRJ), Goiás (TJGO) and Amapá (TJAP), noting that the two first examples are large-sized courts

whereas the two last ones are small-sized institutions. No middle-sized court managed to operate at 100% efficiency.

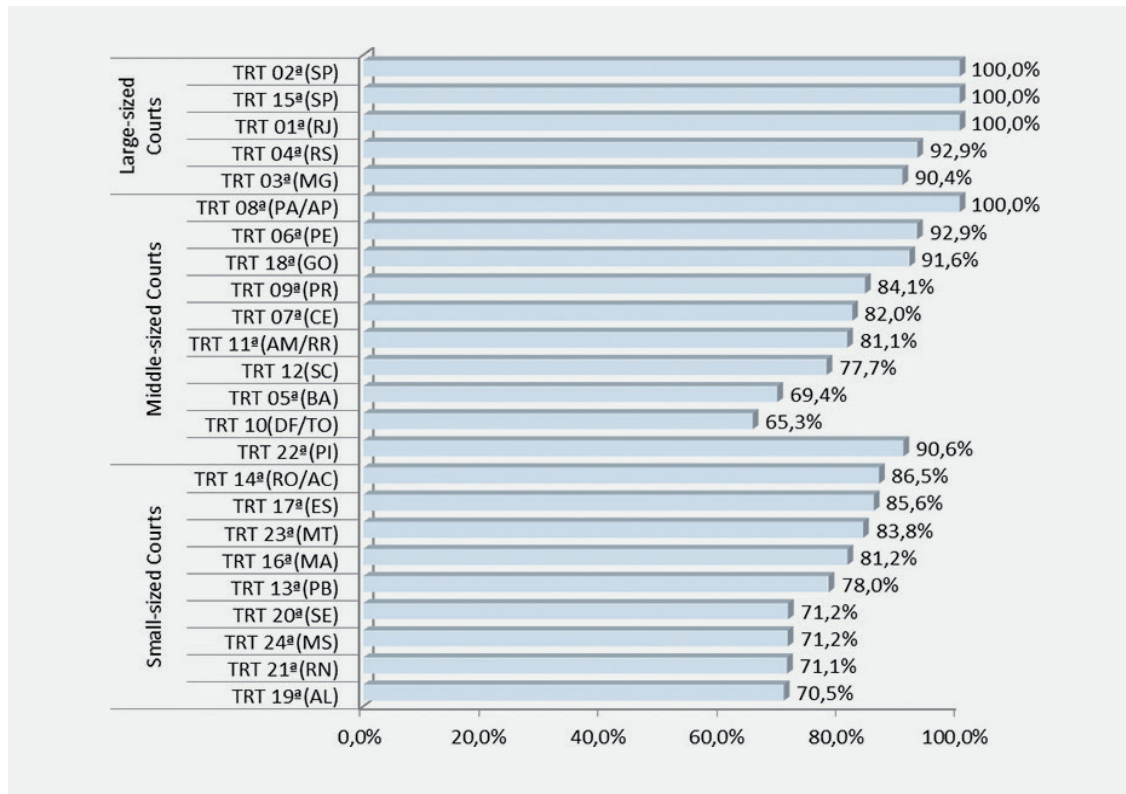
Data is more uniform in Labor Courts and that is why index range is smaller, with Regional Appellate Labor Court of the 10th Circuit (TRT 10 – DF/TO) occupying the lowest position, featuring an efficiency rate of 65%. However, only four courts reached maximum efficiency, the Regional Appellate Labor Court of the 1st Circuit (TRT 1 – RJ), 2nd Circuit (TRT 2 – SP), and 15th Circuit (TRT 15 – SP), these in the group of large-sized courts, and the Regional Appellate Labor Court of the 8th Circuit (TRT 8 – PA/AP), in the group of middle-sized courts.

The efficiency rate of Federal Courts is less uniform among courts. The best rates are those achieved by 5th and 3rd Federal Courts whereas the 2nd and 1st have the lowest rates.

**Graph 9 – Compared Productivity Index - IPC Jus – State Courts**



Graph 10 – Compared Productivity Index - IPC Jus – Labor Courts



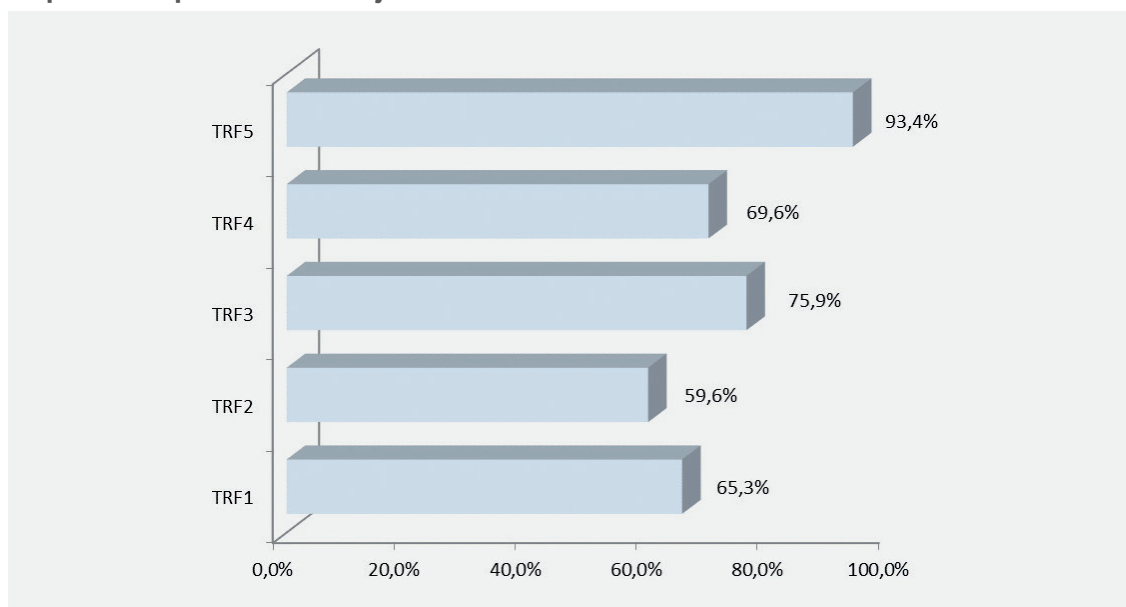
## 7 Concluding Remarks

The figures presented in this summary report provide for the self-assessment of the services delivered by the Judicial Branch. The major roadblock points to the difficulties to dismiss existing cases, as the efforts to try and remand or dismiss such cases are not sufficient to meet the growing demand. In a more specific approach, upon the assessment of the growing number of new lawsuits and the performance indicators of judges and servants, it was possible to notice that the courts cannot ensure the smooth flow of new cases in relation to the cases which are already being processed, as the number of incoming cases grow more significantly than the number of entered judgments and remanded/dismissed cases.

In this context, it is worth pointing to significant role played by tax foreclosure proceedings, which account for 33% of the number of cases in the Judiciary. The major difficulty consists in reducing the number of cases being processed, as despite the efforts made to increase the number of remanded/dismissed cases, the number of cases being processed continues to grow. The backlog rate of tax foreclosure proceedings reaches 91%, i.e. of every 100 cases being processed; only nine are annually remanded or dismissed.

With regard to the application of the Compared Productivity Index – IPC Jus, it is relevant to note that the use of the DEA method weighs caseload, workforce and expenditures in relation to the delivered productivity results. Such weighting provides for the quantitative identification of courts that have conditions to improve their performance in relation to other courts that delivered increased productivity results using similar inputs. It is then possible to measure the performance context of the courts that succeed in remanding or dismissing a bigger number of cases and in keeping their respective backlog rates at lower levels. The example of model-courts – those that reach increased

Graph 11 – Compared Productivity Index - IPC Jus – Federal Courts





efficiency levels – may contribute to productivity improvements in other courts that did not yet succeed in achieving similar results.

In parallel with the initiatives to address the problems presented by tax foreclosure proceedings, combined with projects to modernize judicial management, the compared court productivity assessment may be a viable alternative to enhance the global performance of the Judicial Branch in a context of ever-growing litigation.

Finally, it is worth noting that the reported data represents an effort to better understand the context of Brazil's Judicial Branch. Efforts towards a more accurate understanding of the reality are still needed in order to have all information comprised in the Courts in Figures report supporting the adoption of judicial policies aimed at the continuous enhancement of judicial services in Brazil.

