



BUILDING INTEGRITY IN UK DEFENCE

PRACTICAL RECOMMENDATIONS
TO REDUCE CORRUPTION RISK

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Transparency International (TI) is the world's leading non-governmental anti-corruption organisation. With more than 100 Chapters worldwide, TI has extensive global expertise and understanding of corruption.

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CONTEXT

BUILDING INTEGRITY IN DEFENCE

Why defence?

The Transparency International UK Defence and Security Programme (TI-DSP) is focused on defence and security corruption worldwide. TI-DSP has developed the following recommendations for the UK Ministry of Defence (UK MOD). We hope to see them implemented in full.

The defence sector is particularly at risk from corruption. It is characterised by large, technically complex contracts, operations in sensitive and testing environments, and high levels of secrecy. Despite these challenges, TI-DSP believes that transparency, accountability, and oversight are both possible and essential; they are entirely consistent with the military values of honour and integrity. Tackling corruption is also in the best interest of defence ministries and armed forces – corruption wastes resources, reduces effectiveness, and damages public trust.

The Government Defence Anti-Corruption Index

The following recommendations are informed by TI-DSP's 2013 Government Defence Anti-Corruption Index.¹ This index measures the corruption risk of 82 national defence establishments worldwide, including the UK. Each country assessment provides an overview of where defence anti-corruption measures are strong, and where there is need for improvement. The UK was placed in Band B, on a scale from A to F, reflecting a low risk of corruption overall. The UK did not, however, meet the standards of the countries placed in the top band (A), which reflects very low corruption risk. There is still work to be done.

TI-DSP engagement with the UK Government

TI-DSP has been engaged in several initiatives with the UK MOD. These have included work jointly with, and funded by the UK Defence Academy on anti-corruption training through the Building Stability Overseas Programme. We have also been working closely with NATO on its Building Integrity initiative and on the Self-Assessment Questionnaire, a process designed to allow governments to assess the corruption risks in their national defence establishment. TI-DSP also receives core funding from the Department for International Development (DFID).

The UK MOD in global context

The UK was rated in band B of the 2013 Government Defence Anti-Corruption Index, on a scale of A to F, meaning that it has a low risk of defence corruption. It fell short of the highest band, A. To put this in perspective, only two countries – Germany and Australia – scored in Band A, and not one country received a perfect score across all questions. Seventy per cent scored D, E or F, indicating a high to critical level of corruption risk.

1. Government.defenceindex.org (originally published January 2013, accessed March 2014)

RECOMMENDATIONS

1. ANALYSE THE SCALE OF THE PROBLEM

The UK MOD has been externally assessed as part of the TI-DSP Government Defence Anti-Corruption Index. But there has been no internal self-assessment of where it is vulnerable to corruption.

Recommendation:

1A: The UK MOD should undertake an in-depth corruption risk assessment to analyse where the most significant risks of corruption are. We recommend that the UK MOD use the NATO Building Integrity (BI) Self-Assessment Questionnaire, and focus on the risks highlighted in the 2013 TI Government Defence Anti-Corruption Index.

2. STRENGTHEN THE MOD'S INTERNAL ANTI-CORRUPTION POLICY

Although the UK Bribery Act applies to the UK MOD, there appears to be an absence of internal policy specifically on how this applies to corruption, and there is no dedicated body to address corruption internally.

The Defence Crime Board, set up in 2011, was replaced in 2013 by the Defence Counter Fraud and Corruption Board. There is also an MOD Police Fraud Squad, which should investigate issues of fraud within the department. We did not find publicly available evidence that any one body is currently tasked with undertaking regular assessments of corruption risk in the MOD or that they take action to mitigate corruption risks. Furthermore, only one person within the Defence Equipment and Support organisation (the Chief Operating Officer) is understood to be responsible for “oversight delivery of the whole equipment programme.”

Recommendations:

2A: Establish an anti-corruption policy specifically designed for the UK MOD. Disseminate it widely amongst uniformed and civilian personnel and make it publicly available online.

2B: Identify which organisation within the Ministry of Defence is responsible for identifying, monitoring and mitigating corruption risk within the department and the armed forces.

3. PROVIDE GUIDANCE FOR STAFF

All three armed services (Army, Navy, and Air Force) have Codes of Conduct which specify the behaviours expected of individuals. However, none of these documents specifically addresses bribery or corruption or the appropriate responses to them, or provides guidance on corruption issues.

Recommendations:

3A: Reinforce the importance of existing guidance on bribery, gifts, hospitality, conflicts of interest and post-separation activities as currently contained in Queen's Regulations and the equivalent civil service codes.

3B: Review the effectiveness with which the rules are enforced as they apply to civil servants who are bound by formal contracts, and to military personnel, who are only subject to Queen's Regulations when serving. Strengthen anti-corruption guidance in relevant rules based on this review.

4. PROVIDE GUIDANCE FOR STAFF AND TROOPS ON DEPLOYMENT

Although officers are provided with anti-corruption training to be relayed to foreign (most recently, Afghan) troops, and some UK officers undertake NATO's Building Integrity training, there is no publicly available evidence that the UK Armed Forces have a systematic process to provide anti-corruption training to their staff on a regular and formal basis.

There is only limited evidence to suggest that the UK MOD deploys appropriately trained personnel to monitor corruption in the field. Certain members of the Permanent Joint Headquarters (PJHQ) are deployed to the mission in Afghanistan to monitor the award and delivery of contracts, but this does not necessarily involve monitoring corruption risk.

Recommendations:

- 4A:** Create a tailored pre-deployment training programme for military and civilian personnel who are deployed on operations, focusing particularly on countries where corruption is known to be prevalent. Consider using the Government Defence Anti-Corruption Index, Corruption Perceptions Index, and the Global Corruption Barometer to assess the prevalence of corruption.
- 4B:** Train and deploy appropriately trained individuals to monitor corruption risk on an ongoing basis while troops are on operations.

5. STRENGTHEN WHISTLEBLOWER PROTECTION

The UK MOD and armed forces scored particularly poorly on the protection of whistle-blowers. Although there are policies on whistleblowing for both military and civilian personnel, practices were found to be weak.

Recommendation:

- 5B:** Ensure that whistle-blowers in both the department and the armed forces are afforded adequate and appropriate protection from reprisal for reporting corruption, both in law and in practice.

6. DEVELOP MILITARY DOCTRINE ON CORRUPTION IN OPERATIONS

When ministers and officials make formal commitments to tackling corruption, this has recently been in the context of Afghanistan. The Joint Doctrine Publication 3-40, "Security and Stabilisation: The Military Contribution," also recognises the importance of addressing corruption. This is outlined in more detail in "Further Advice and Guidance on Corruption for Joint Doctrine Publication 3-40," which was authored by Transparency International UK and which the MOD has made publicly available.

Recommendation:

- 6A:** Ensure that comprehensive operational anti-corruption doctrine continues to be developed and reflected in single service training.

7. STRENGTHEN CONTROLS ON ARMS EXPORTS

UN Arms Trade Treaty (ATT) Anti-Corruption Provisions (UK Government overall)

Two-thirds of the largest arms importers and half of the biggest arms exporters in the world have relatively weak anti-corruption controls. On 2 April 2013, an overwhelming majority of the United Nations General Assembly voted in favour of the UN Arms Trade Treaty (ATT). It will enter into force once it has been ratified by 50 states. The UK has been a leading actor during the ATT negotiations, and it has also been leading on making sure that the treaty contains strong anti-corruption provisions.

Recommendation:

7A: The UK Government now needs to ensure that it improves its arms export control anti-corruption systems in line with the following provisions:

- As part of the strictest level of arms export assessment criteria (alongside international humanitarian law and human rights law), in Article 7.1.b.iv., the UN Arms Trade Treaty mandates that states shall not authorise an export if there is a risk that the arms in question could be used to “commit or facilitate an act constituting an offence under international conventions or protocols relating to transnational organised crime to which the exporting State is a Party.” As is clearly stated in the UN Convention Against Transnational Organised Crime, to which 174 States are Party, these offences include both corruption and money laundering.
- Article 11.5 discusses the relevant information about illicit activities that states should share with each other to better prevent diversion. The first element listed is corruption.
- Under “International Cooperation” in Article 15.6, “State Parties are encouraged to take national measures and to cooperate with each other to prevent the transfer of conventional arms [...] becoming subject to corrupt practices”.

Government-to-Government Arms Deals

The UK Government sometimes supports arms exports through government-to-government contracts, rather than directly between the purchasing government and commercial companies. This is particularly the case the Middle East, particularly in Saudi Arabia. There is a widespread perception that the MOD does not maintain equally strong anti-corruption and transparency provisions in such government-to-government contracts.

Recommendation:

7B: The MOD should put in place strict requirements to control corruption and bribery risks in government-to-government contracts. These should include post-contract monitoring measures as well as specific contractual requirements.



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